

Relic of empire
fighting for its past

Caught between a rock and a hard place — Joe Bossano (left), Gibraltar's chief minister, marshals the rearguard

Page 1

High adventure
Holidays that lift the well-heeled
off the beach

Page VII

The haunted room
Anthony Curtis calls up the
literary ghosts of the British
Library

Page VIII

He cried, we laughed
Paul Gascoigne (left): entertainer
and footballer

Page XXII

Time to buy?
Philip Coggan explains how to tell
when the stock market becomes
undervalued

Page III

EUROPE'S BUSINESS NEWSPAPER

FINANCIAL TIMES

FT No. 31,258

© THE FINANCIAL TIMES LIMITED 1990

Weekend September 22/September 23 1990

D 8523A

WORLD NEWS

Gorbachev
seeks to
widen powers

President Mikhail Gorbachev called for sweeping extra powers that would allow him to push through the changes needed to achieve a market economy by decree.

The Soviet leader was plainly angry and frustrated when the nation's parliament — the Supreme Soviet — failed to produce a quorum to decide the crucial issue of which economic route the country should take to a market system. The vote will now be taken on Monday.

Nicu Ceausescu jailed
Nicu Ceausescu, 38, playboy son of Romania's executed communist dictator Nicolae Ceausescu, was jailed for 20 years for authorising the killing of 91 civilians during last December's uprising.

Saunders to appeal
Former Guinness chairman Ernest Saunders is appealing against conviction and his five-year jail sentence for his part in share support operations during the Distillers takeover affair. Stockbroker Anthony Parnes, jailed for 2½ years, is also appealing. Page 5

Cambodia deal offered
Exiled Cambodian guerrilla leader Prince Norodom Sihanouk offered Phnom Penh a new power-sharing deal to try to break the deadlock reached in peace talks earlier this week. Page 3

Butheloni agrees to talk
Chief Mangosuthu Buthelezi, leader of South Africa's Zulu-based Inkatha party, agreed to meet the African National Congress and other homeland leaders for talks aimed at ending recent violence. Page 3

Indian jobs protests
The Indian army moved into the northern city of Chandigarh to quell violent student protests against a government plan to reserve a proportion of state jobs for low-caste Hindus.

Move on adoption
Rules on adoption are being reviewed by the Government. Suggestions in a Department of Health consultation paper include allowing natural parents to maintain contact with their adopted children.

Glimpse of attacker
Sir Peter Terry, the former Governor of Gibraltar who survived an IRA assassination attempt on Tuesday, may have glimpsed his attacker, police said. Sir Peter is recovering in hospital from serious facial injuries.

Grain exports halted
Drought-stricken Hungary has cancelled exports of 1.3m tonnes of grain to other east European countries including the Soviet Union and Czechoslovakia. This year's harvest is expected to yield only 4.5m tonnes compared with a forecast 7m.

Anger over US bases
Philippines police turned tear gas and water cannon on 1,500 demonstrators protesting against US military bases in the country. The demonstration coincided with talks between Washington and Manila on the future of the bases.

Japan's mystery circles
Farmer Shunzo Abe from western Japan reported two inexplicable but perfect circles of flattened grain in his rice paddy. Similar mysterious circles appeared in southern English wheat fields this summer.

BUSINESS SUMMARY

Chase to cut
dividend
after loss

Chase Manhattan, second biggest US bank, halved its third quarter dividend to 30 cents and forecast a \$625m (\$338.6m) third quarter after-tax loss.

The dividend cut, which Chase said was necessary to conserve funds to strengthen its capital, came after the bank disclosed plans to cut its staff of 44,000 by 5,000 and make \$650m of third-quarter debt provisions. The provisions are due mainly to what the bank termed an "accelerated deterioration of the domestic commercial real estate market."

The bank is expected to incur a full year loss of between \$650m and \$600m, which compares with a 1989 loss of \$650m.

ADN CORPORATION, the Chicago insurance group, said it was withdrawing its proposed \$40-a-share offer for Corroon & Black, the US insurance broker in the throes of an agreed merger with Britain's Willis Faber, after meeting resistance from the Corroon board.

POLLY PRICK International, embattled fruit trading and consumer electronics group whose shares were suspended after dropping on Thursday, failed to produce the statement it had promised to the Stock Exchange. Page 22

SEVERN TRENT, privatised UK water company, launched a hostile \$78m bid for waste disposal company Caird Group, which has recently seen a sharp fall in its share price. Page 22; Lex, Page 22

BOWEN GROUP, UK engineering company, is to cease heavy manufacturing at its plant at Renfrew near Glasgow and make 500 staff redundant. Page 22

SWEDEN'S state controlled telecommunications company — Televerket — will be opened up to private ownership via a stock market flotation some time in 1992. Page 10

ELECTROLUX, world's leading white goods manufacturer, is to sell its commercial services division which last year had sales of SKr3.9bn (\$358m), almost 5 per cent of the group turnover. Page 18

HONG KONG: John Gray, deputy chairman of Hongkong and Shanghai Banking Corporation, defended the bank's management of its overseas businesses and its decision to expand outside Asia. Page 10

BRUSSELS: Rival proposals which go further than the farm subsidy cuts currently envisaged by EC Agriculture Commissioner Raymond MacSharry are being secretly drawn up in Brussels. Page 3

MOTOROLA, US electronics company, is poised to win some large contracts from the West German Bundespost to build the infrastructure for its new mobile telephone system due to start operating next year. Page 8

MICHELIN, troubled French tyre maker, revealed the extent of the problems it faces by reporting first half net losses of FF363m (\$37.2m). Page 10

CIMENTS Français, French cement group, announced a 7 per cent increase in first half net earnings to FF402m (\$41.2m). Page 10

COOKSON GROUP, debt-laden industrial materials company, sought to reassure investors alarmed by the recent sharp fall in its share price, but warned of a more possible difficulties at Florida, its 50/50 titanium dioxide joint venture with ICI. Page 6

US LUNCHTIME RATES
Fed Funds 8 3/4 %
3-mo Treasury Bill:
yield: 7.6 %
Long Bond:
9 3/4 %
yield: 8.11 %

LONDON MONEY
3-month interbank:
closing 14 1/2 % (same)
12-month gilt future:
Dec 82 1/2 (82 1/2)

Chief price changes
yesterday: Page 22

Intervention fails to steady pound

By Peter Marsh and Rachel Johnson

CONCERTED intervention in foreign-exchange markets by the central banks of Britain, the US and West Germany closed 6.9 per cent and 4.4 per cent down on the week.

The intervention took place at the end of a turbulent week in international financial markets which had been badly hit by worries about the economic outlook, particularly in the UK.

In the London equity market shares staged a mid-afternoon recovery after a 41-point fall in the FTSE-100 index had earlier taken it below the 2,000 level. Traders said buying efforts picked up as institutions realised they could pick up shares at rock-bottom prices. The FTSE-100 index finished the day up 8.6 at 2,025.5.

In spite of this, the London

equity market closed with shares showing an overall 3.3 per cent fall for the week. In Frankfurt and Paris, shares closed 6.9 per cent and 4.4 per cent down on the week.

On Wall Street at 1.30pm the Dow Jones Industrial Index was down 6.44 on the day at 2,511.88.

The intervention to support sterling came as the UK Government released statistics showing that the economy grew by just 0.3 per cent in the second quarter of 1990. This reinforced fears that Britain might slide into a recession in the last two quarters of the year.

The operation, involving the Bank of England, the Federal Reserve and the Bundesbank, was the first of its kind since October 1989 when the resignation of Mr Nigel Lawson as

Slide to recession...Page 4
UK plc...Page 6
Editorial comment...Page 6
Borrowers exposed...Page 7
US eclipse...Page 11
Money Markets...Page 11
London Stocks...Page 13
Wall St...Pages 18, 19
Lex...Page 22

Chancellor prompted a sharp fall in sterling.

Yesterday, sterling fell by more than 4 pence against the D-Mark and by more than 2 cents against the dollar. The pound closed in London at DM2.9125 and at \$1.8465, with the pound falling on the day on its trade-weighted index from 93.7 to 92.6. Over the week, it

suffered a fall in the index of 2.4.

The pressure on the pound was caused partly by worries that inflation is too high to allow Britain to join the exchange rate mechanism (ERM) of the European Monetary System soon.

Mr John Major, the Chancellor, said in Washington that Britain would join the ERM at the earliest possible date. He said Britain was "not seeking delay, just awaiting the right circumstances." Mr Major is in Washington for meetings of the International Monetary Fund and World Bank.

The signs of gathering recession in Britain were reinforced by the Central Statistical Office's latest estimates for gross domestic product (GDP). These showed that the slight rise in the second quarter —

after a 0.9 per cent rise in the first — translated into a stronger yearly rise of 2.3 per cent.

The Treasury said the GDP figures — notorious for having failed to register the strength of economic activity in 1989-1990 — should be treated with care.

UK Treasury officials in Washington, where Mr Major will today attend a meeting of finance ministers from the Group of Seven industrialised countries, emphasised that the Chancellor's statement was forward, rather than backward, looking.

They pointed to forecasts published this week by the International Monetary Fund. These show UK consumer price inflation now at its peak above 10 per cent and then falling rapidly towards 5 per cent by the end of 1991.

Gloom on
horizon as
Thatcher's
star shines
in the east

By Ivo Dawney in Zurich

AS Mrs Margaret Thatcher warms her tired feet at the hearth of her friend Lady Glover's Swiss country house this weekend, she can be confident that her vision of a broader, if shallower, European Community has firm supporters in the east.

The Prime Minister's hectic week of official visits to Czechoslovakia, Hungary and Switzerland was regularly punctuated by compliments and respectfully enthusiastic crowds.

None of her hosts had much difficulty subscribing to her view of a future EC which "preserves the diversity and nationhood of each of its members."

As all three countries are making EC membership, some would churchily turn down unsolicited backing from the high priestess of national sovereignty so recently won in the east and so jealously guarded in the Alps.

Officials in her party also confirmed Mrs Thatcher's success in striking up a surprisingly chummy relationship with Czechoslovakia's philosopher-king, in spite of his suspiciously social democratic sentiments.

A high point in the trip was a genuinely Bohemian drink atop stools in a downtown Prague bar built, it turned out, by President Vaclav Havel's grandfather.

There was hearty goodfellowship in Hungary too, where Mr Jozsef Antall, the country's mild-mannered Prime Minister, was heavily congratulated — almost to the point of embarrassment — for his right-wing conservatism.

Even the highly anonymous Swiss Federal President, Mr Arnold Koller, won praise for his country's sturdy independence of spirit, with assurances that its neutrality would be no bar to membership of Mrs Thatcher's Europe.

And yet, and yet... in spite of the motorcades and effusive official hosts, the leaders who had glowered over the closing

Continued on Page 22

Kuwait to sell securities to fund forces

By Victor Mallet, Middle East Correspondent

KUWAIT'S exiled government will sell short-term securities from its estimated \$70bn (\$38bn) overseas capital hoard to fund the military forces confronting Iraq and help countries affected by economic sanctions against Baghdad.

Sheikh Ali Khalifa al-Sabah, Finance Minister in the government ousted by the Iraqi invasion of Kuwait, told reporters in London yesterday that Kuwait planned to spend nearly \$50m in the next three months.

He said the money was coming from cash deposits and liquid assets in various currencies. He added that Kuwait was not selling equities, as has been feared on London and other stock exchanges where the country has been a substantial investor.

Sheikh Ali acknowledged that the country's investment income alone — from interest and dividends — was not sufficient to cover so much spending in such a short time. Previously the exiled government had maintained that its holdings in foreign securities markets would remain untouched.

Most of Kuwait's performing international assets, including US Treasury bills, are managed by the Kuwait Investment

Office in London for the Reserve Fund for Future Generations, which received 10 per cent of Kuwait's oil revenues.

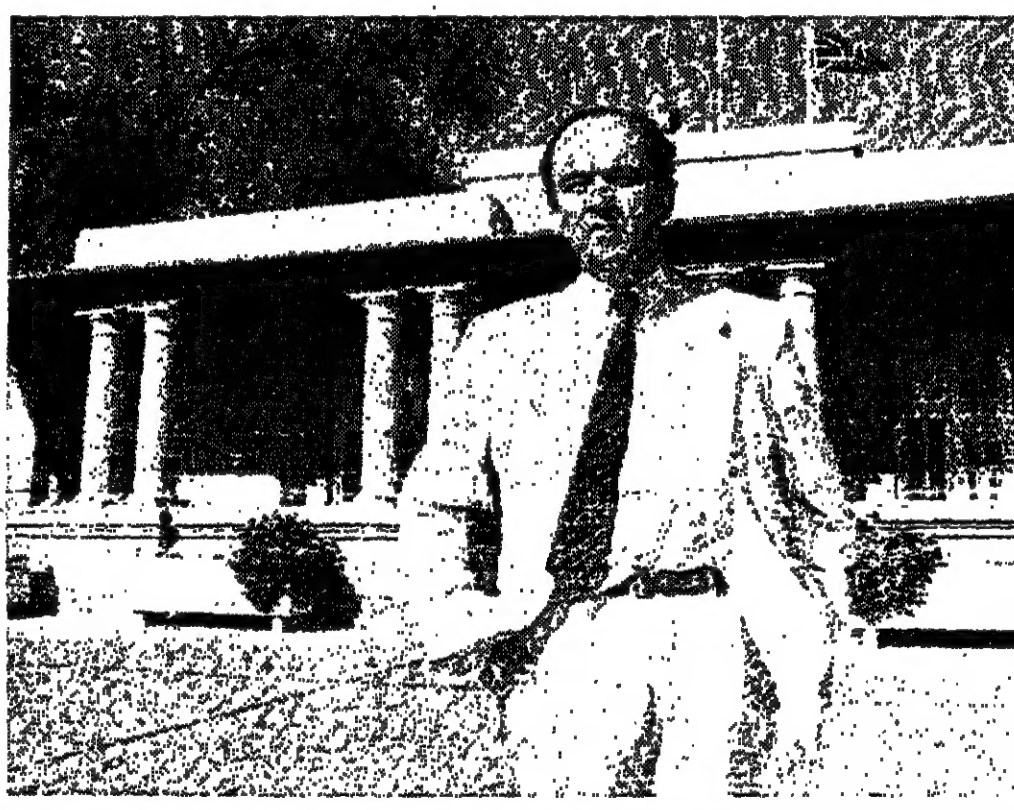
Without giving precise details of the Kuwaiti contribution, Sheikh Ali referred to the fund-raising efforts of Mr James Baker, the US Secretary of State, and said Kuwait was already making its money available.

He said the funds were divided between financial assistance to military forces — essentially for the US — and aid to frontline states affected by sanctions, although he suggested that Kuwait help for Jordan was conditional on King Hussein changing his sympathetic stance towards Iraq.

Kuwait is also spending between \$50m and \$100m a month on supporting Kuwaiti refugees.

Sheikh Ali acknowledged that the Kuwaiti resistance on its own could not drive out the Iraqi troops, and he said a military attack by the international forces in Saudi Arabia had to be an option if all else failed, although Kuwait would be the battleground and Kuwaitis the greatest victims.

Gulf crisis, Page 2



Col. John Cochran, the British military attaché to Baghdad, in front of the British embassy in Baghdad after being expelled by Iraq yesterday. Page 2

Patten will put pressure on car makers to use 'clean' technology

By John Griffiths

MEASURES to discourage high-performance, "gas-guzzling" cars will be included in next week's white paper on the environment, Mr Chris Patten, the Environment Secretary, indicated yesterday.

He also fiercely criticised the emphasis placed by many manufacturers on speed and performance to the detriment of environmental factors such as fuel economy.

Speaking at the International Motor Show near Birmingham, which opens to the public today, Mr Patten described as "alarming" the manner in which some companies promote their cars.

"It cannot be sensible to develop and advertise cars that can travel at well over 100mph, with rocket-like acceleration, whose performance potential can be exploited only by disregard for the environment and by breaking speed limits," he said.

His criticisms come only a few days after Vauxhall said it would stop advertising the top speed of all its cars, following a

furor over the launch next month of its 160mph Lotus Carlton.

Vauxhall's defence of its decision to introduce the car, which it described as an image-enhancer for the company, served also to highlight why government concern about the issue has been rising.

The company, which clearly felt it had been made an industry scapegoat, pointed out that the Lotus Carlton would be only one of 70 cars sold in the UK capable of twice the 70 mph motorway speed limit.

The white paper to be published on Tuesday will deal with all aspects of the environment. However, Mr Patten made clear that the role of vehicles would form an important element of it. The paper will put pressure on car makers to:

- encourage drivers to choose clean, fuel-efficient vehicles and run them on unleaded fuel;
- work towards alternative power plants and fuels to replace petrol and diesel.

Mr Patten, declaring that it was "unacceptable" to boast of rapid 0-60mph times or high top speeds, warned that "in the future, we will not be able to assume that the car and the demand for it must continue to take centre stage at all times, for all purposes."

Rover, Vauxhall and Ford disputed Mr Patten's criticisms, suggesting the Government had played an inadequate role in promoting cleaner, more fuel-efficient cars.

The UK is permitted, under EC rules, to offer financial incentives for the sale of environmentally "friendly" cars, perhaps by reducing the 7½ per cent car tax on vehicles equipped with catalytic converters. West Germany adopted such incentives several years ago, but so far the UK Government has shown no inclination to follow suit.

FIDELITY'S PERFORMANCE EDGE

The vision
to see further.
The resources
to look closer.

To achieve investment success in today's fast-moving markets requires global perspective. Demands local expertise. Fidelity offers just that.

As part of one of the world's largest independent investment management organisations, with associate companies in every major market, we're able to view investment opportunities on a global scale.

But equally important is our on-the-spot strength to assess markets first-hand. Around the world the Fidelity organisation has over 150 investment professionals who visit or contact more than 14,000 companies each year. It's this in-depth local knowledge combined with global perspective which provides the real performance edge.

And it's the reason why, if you're looking for consistently superior investment performance backed by award-winning service, Fidelity should be your first choice.

For further information, please contact Hilary Smith, Director, on 44 71 283 9911.

Fidelity Investments

MARKETS

STERLING
New York lunchtime:
\$1.847
London:
\$1.8465 (1.866)
DM2.9125 (2.955)
FF9.745 (9.825)
SF2.4375 (2.4675)
Y252.5 (253.00)
£ index 92.8 (93.7)

GOLD
New York: Comex Dec
\$394.5 (394.2)
London:
\$399.25 (397.25)
N SEA OIL (Argus)
Brent 15-day Nov
\$34.825 (33.00)

Chief price changes
yesterday: Page 22

DOLLAR
New York lunchtime:
DM1.57435
FF9.745
SF1.816
Y157.0
London:
DM1.5775 (1.5805)
FF9.745 (9.825)
SF1.8215 (1.82)
Y158.9 (158.80)
£ index 92.8 (same)
Tokyo close: Y157.33

STOCK INDICES
FT-SE 100:
2,025.5 (+8.6)
FT Ordinary:
1,597.3 (+8.2)
FT-A All-Share:
977.50 (+0.1%)
New York lunchtime:
DJ Ind. Av.
2,511.88 (-6.44)
S&P Comp
310.78 (-0.70)
Tokyo Nikkei
23,777.83 (174.85)

LONDON MONEY
3-month interbank:
closing 14 1/2 % (same)
12-month gilt future:
Dec 82 1/2 (82 1/2)

CONTENTS

| | | | |
|------------------------------------|---|----------------------------|----|
| British industry: ————— | 6 | Appointments ————— | 13 |
| UK plc takes a turn for the worse | 6 | Base Rates ————— | 11 |
| Editorial comment ————— | 6 | Building Society Rates ——— | 7 |
| Hold on to those hats | 6 | Commodities Prices ——— | 11 |
| Man in the News ————— | 6 | Commodities Review ——— | 13 |
| Asil Nadir | 6 | Companies UK ————— | 8 |
| Debt ————— | 7 | Economic Diary ————— | 8 |
| Slide exposes the heavy borrowers | 7 | FT Actuaries ————— | 9 |
| The US economy ————— | 7 | FT World Actuaries ——— | 19 |
| Eclipse of the 'never-never' world | 7 | Foreign Exchange ————— | 11 |
| | | Gold Markets ————— | 10 |
| | | Int. Companies ————— | 12 |
| | | International News ——— | 23 |
| | | Leader Page ————— | 6 |
| | | Letters ————— | 7 |
| | | Weather ————— | 22 |

UK Stock Market Report 0830 400001; FOREX 0830 400002; Italian 0830 400003; UK Company News 0830 400002; Calls charged at 25p/min; cheap rate, 50p/min at all other times. To obtain a free Cityline directory, ring 071-555-5125.

Austria: 2004; Bahrain: 2007; Bermuda: 15.50; Belgium: 15.50; Canada: 15.50; Cyprus: 15.50; Denmark: 15.50; Egypt: 15.50; Finland: 15.50; France: 15.50; Germany: 15.50; Greece: 15.50; Hong Kong: 15.50; India: 15.50; Indonesia: 15.50; Ireland: 15.50; Israel: 15.50; Italy: 15.50; Japan: 15.50; Jordan: 15.50; Kuwait: 15.50; Lebanon: 15.50; Luxembourg: 15.50; Malaysia: 15.50; Malta: 15.50; Mexico: 15.50; Morocco: 15.50; Netherlands: 15.50; New Zealand: 15.50; Norway: 15.50; Pakistan: 15.50; Philippines: 15.50; Poland: 15.50; Portugal: 15.50; Saudi Arabia: 15.50; Singapore: 15.50; Spain: 15.50; Sri Lanka: 15.50; Sweden: 15.50; Switzerland: 15.50; Taiwan: 15.50; Thailand: 15.50; Turkey: 15.50; USA: 15.50; UAE: 15.50; UK: 15.50; Venezuela: 15.50; Yugoslavia: 15.50.

INTERNATIONAL NEWS

Delay in military treaty threatens CSCE summit

By David Buchan in Brussels

THE PROSPECT of a 34-nation summit of the Conference on Security and Co-operation in Europe (CSCE) taking place as planned in mid-November is still clouded by disagreement on cuts in conventional forces, a top US negotiator said yesterday.

Mr James Woolsey, US ambassador to the talks on conventional forces in Europe (CFE), said it was still uncertain whether he and fellow negotiators from Nato and Warsaw Pact countries would have a treaty ready to sign by November 19. This is the date set for CSCE nations to meet to establish a new post-Cold War order for Europe.

The US and several other Nato members have said they will not go to Paris without a CFE treaty to sign.

Mr Woolsey spoke at a US-sponsored conference in Brussels of the "extraordinary time pressure" that the CSCE deadline placed on the CFE negotiations in Vienna, given the four to six weeks needed to trans-

late a treaty into six languages. He hinted that the US would be happy to back any Soviet suggestion to exclude the issue of naval aircraft from negotiations, although he reiterated "we will not propose it".

The US wants to exclude all carrier-borne aircraft - it has more than the Soviets - but include aircraft like Backfire bombers or MiG29s that could be flown in air force or navy colours.

The two other principal stumbling blocks, he claimed, were verification and the share of weapons that any one country would be allowed to hold out of a Europe-wide total.

The Soviet Union wants to hold a higher percentage of equipment - due to be shared out between the Warsaw Pact allies and Nato - than the west is willing to permit.

"Over the last year the Warsaw Pact has gone from a position of having less trouble than Nato in co-ordinating its position to having more trouble," Mr Woolsey said.

White House rejects Dole budget initiative

By Peter Riddell, US Editor, in Washington

PROPOSALS by the senior Senate Republican for ending the stalemate in US budget talks have been rejected by the White House, pushing back hopes of an early deal.

Senator Robert Dole, the Republican minority leader, suggested the cut in capital gains tax sought by President George Bush should be split off from the main deficit reduction package and voted on separately, along with Democrat proposals on child care and taxation. He said there should be "one pure deficit reduction package and one pay-as-you-go package".

The senator's initiative has produced strong objections from the administration

because of concern that this would jeopardise the tax cut. There were reports that Mr John Sununu, the White House Chief of Staff, stormed out of the room when the idea was put forward.

Increasing strains have been reported between Senator Dole and some White House negotiators. President Bush has always insisted a budget deal must include a cut in capital gains tax, so Senator Dole's proposal has produced a split in Republican ranks.

Congressman Newt Gingrich, the House minority whip and a strong supporter of tax cuts, said House Republicans felt strongly about having one package, not two.



Chief Buthelezi: welcome developments

Buthelezi agrees to ANC talks

By Philip Gawth in Johannesburg

CHIEF Mangosuthu Buthelezi, chief minister of KwaZulu and head of the Zulu-based Inkatha Freedom Party, yesterday agreed conditionally to participate in talks with the African National Congress (ANC) and other homeland leaders aimed at bringing an end to violence in the country.

He said he would be delighted to attend if the ANC was genuine in wanting to end the strife between Inkatha and the ANC. "I state firstly that these are welcome developments. Secondly, however, I must state that they need to be seen in their proper perspective," Chief Buthelezi said in a statement.

He went on to express reservations about being invited as a homeland leader rather than in his capacity as leader of the Inkatha Freedom Party. He would attend the gathering, scheduled for October 5, if conversations in

the interim with Mr Nelson Mandela, the ANC leader, convinced him the ANC was genuine in its desire to stop violence.

He cast doubt on the value of such contacts, though, saying previous talks Mr Mandela had held with other leaders had had no effect in stopping violence.

"First of all, Mr Mandela and I must get together as respective leaders of the two dominant black political organisations involved in the violence," he said, underscoring his wish to be considered an important political leader in his own right.

Chief Buthelezi was responding to a statement from the ANC's national executive committee in which the organisation resolved to meet him and other homeland leaders to discuss a common strategy to combat destabilisation and violence. The ANC's offer is

being interpreted as a welcome climb-down from their previous refusal to talk to Chief Buthelezi.

The olive branch was extended further when Mr Mandela said yesterday that he was strongly in favour of talks with the homeland leader.

"He was, and remains, my friend because of the tremendous support which he gave me in prison, demanding my release and that of my comrades, taking the view that he would not negotiate with the government until political prisoners had been freed. I remain indebted to him for his friendship and support," Mr Mandela told SABC television.

The ANC yesterday strongly criticised the announcement that from September 25 a curfew would be enforced in townships that have been affected by violence.

Sihanouk offers talks concession

By Tim Dickinson in Brussels

PRINCE Norodom Sihanouk, titular leader of the guerrilla coalition that has been trying to seize power in Cambodia for 11 years, has said he is ready to give the Phnom Penh government an extra seat on the Supreme National Council (SNC) if he were made chairman. Reuter reports from Bangkok.

However, guerrilla officials said groups allied to the prince were not consulted before he made the concession yesterday.

The officials said the Khmer Rouge, the guerrilla coalition's dominant partner, might reject the concession, aimed at breaking a deadlock in talks reached in Bangkok this week. The SNC, formed in Jakarta last week, is intended to exist alongside a United Nations administration in Cambodia until free elections are held.

Under Prince Sihanouk's proposal, Hun Sen, Cambodia's Prime Minister, would have seven seats balanced by seven seats held by the guerrilla coalition.

A western diplomat in Peking said: "Sihanouk doesn't care if there are 12, 13 or 14 seats on the SNC as long as he's president. He's making a big push to return as leader of Cambodia."

MacSharry rivals draw up secret agenda

By Tim Dickinson in Brussels

RIVAL PROPOSALS which go further than the farm subsidy cuts currently envisaged by Mr Raymond MacSharry, EC agriculture commissioner, are being secretly drawn up in Brussels.

Officials unconnected with Mr MacSharry and the department he represents are working on ideas which they say better demonstrate the EC's willingness to make concessions on farm support in the international trade talks known as the Uruguay Round.

The latest development reinforces the divisions within the EC, left after Wednesday's unexpectedly bitter meeting of

the Commission which failed to reach consensus on the agriculture issue.

Yet the latest backstage efforts to prise Mr MacSharry away from the EC's powerful farm lobby could prove controversial and may even backfire, prompting a surge of support for the Irish commissioner.

Relations between Mr MacSharry and Mr Frans Andriessen, the external relations commissioner who holds the overall EC negotiating brief in the Uruguay Round, are already under considerable strain. It is no secret that Mr Andriessen, along with Mr Martin Bangemann, the inter-

nal market commissioner, has been leading those in Brussels in favour of a more conciliatory negotiating approach.

The alternative approach now being developed by supporters of this camp would not dramatically alter the shape of the paper presented by Mr MacSharry, which calls for an overall 30 per cent cut in farm support over the 10 years between 1986 and 1993. But it would make the cuts in support bite harder and offer an olive branch to the US in the form of clearer assurances that the EC will take action to reduce export subsidies on farm produce.

It also involves a tighter regime for the heavily protected sugar sector, implementing the findings of a Gatt panel critical of the EC's oilseeds regime which Mr MacSharry's proposal appears to ignore; and more flexible operation of the new tariff-free import quotas which the EC plans to introduce for oilseeds and other products.

The two sides are certain to clash at next Wednesday's Commission meeting when Mr MacSharry will repeat his view that farmers are being asked to swallow enough harsh medicine, given their present distress over lamb and beef.

US group likely to secure Bundespost contracts

MOTOROLA, the US electronics company, is poised to win some large contracts from the West German Bundespost to build the infrastructure for its new mobile telephone system, David Goodhart writes from Bonn.

Telekom, the telecommunications division of the Bundespost, denies it is punishing its main domestic suppliers, Siemens and SEL, for allegedly working with greater enthusiasm on the rival private sector

Brazil's fiscal squeeze hits eight more state banks

BRAZIL'S central bank has been forced to close a further eight state banks, bringing to 13 the number of regional banks and financial institutions shut in the last week as part of the fall-out from its tight money policy to squeeze inflation, writes Simon Fisher in Rio de Janeiro.

Scarcely money has caused interest rates to rise and left many financial institutions over-exposed. On Thursday night Mr Ibra-

Romanian tribunal jails son of Ceausescu

MR Nicu Ceausescu, the youngest son of the former Romanian dictator, was yesterday found guilty by a military tribunal of "instigation to murder" and sentenced to 20 years' imprisonment. AP reports from Bucharest.

The five-man panel of judges dropped the original charge of complicity in genocide.

Ceausescu, 38, was Communist Party leader in the town of Sibiu. He was accused of causing 89 deaths there during the December 1989 revolution in which his father, Nicolae Ceausescu, was ousted and then executed.

Liberian task force chief replaced

A Nigerian officer is to replace the Ghanaian commander of the West African peacekeeping force in Liberia, William Keeling writes from Lagos.

Major-General Joshua Dogonyaro, a close associate of President Ibrahim Babangida of Nigeria, is to replace Lt-Gen Arnold Quinoo, whose position is thought to have become untenable following the capture by rebels of the late Liberian president, Samuel Doe, from the headquarters of the West African force.

Drug traffickers 'hold' journalist

Colombian drug traffickers known as the "extraditables" claim to be holding Mr Francisco Santos, news editor of El Tiempo, and other kidnap victims, Sarita Kendall writes from Bogota. In phone calls to El Tiempo, a man speaking for the "extraditables" demanded to be treated as a political group.

Lebanese reform

Mr Elias Hrawi, Lebanon's president, yesterday signed into law political reforms giving Muslims an equal share of power with the long-dominant Christians, in a bid to resolve Lebanon's 15-year-old civil war, AP reports from Beirut.

A FIRM GUIDE TO THE STOCKMARKET FOR UNCERTAIN TIMES

FROM FINANCIAL TIMES MAGAZINES

What kind of advice do you want to see from a financial newsletter?

| | | | |
|---|---|---|--|
| EDITORIAL | Our editorial gives you a weekly guide to which way the stockmarket will move and why. We give you clear and direct advice which won't leave you in the dark. | PENNY SHARES TO BLUE CHIP | Tastes vary and so do stockmarket fashions. We cater for both the active punters and the long term investors. |
| BUY/SELL & HOLD ADVICE | We also believe that selling dear shares is as important as buying new ones. And we'll tell you to hold on when necessary. | UPDATES | Earlier recommendations are regularly re-assessed. We will tell you what action to take and when. |
| A WEALTH OF FINANCIAL EXPERIENCE | We have been in business for over forty years. And the combined stockmarket experience of our editorial team amounts to almost 100 years with 30 being accounted for by the editor alone! | TWO FREE GUIDES & FOUR FREE ISSUES | With your trial subscription, we'll tell you how to make the most out of the information we offer as well as giving you a free pocket guide to the stockmarket. And your first FOUR ISSUES are FREE, so that you can test our recommendations without making a big commitment. |

SO WHO ARE WE ?

Although we are editorially independent, we are owned by the same company as these two publications and have complete access to their research facilities.

IC Stockmarket Letter

SUBSCRIBE TODAY!

The prices of stockmarket investments can go down as well as up. Past performance is not a guide to future performance.

Please return to: FT Magazines, Subscriptions Department 1st Floor, Central House, 27 Park Street, FREEPOST, Croydon CR9 9EP. YES, please enter my subscription to IC Stockmarket Letter at the UK rate of £85. I understand that I will receive 55 issues: the first 4 issues are FREE.

☐ I enclose a cheque to the value of £ made payable to FT Business Information Ltd.

☐ Please invoice me.

☐ I wish to pay by credit card. Please debit my account.

☐ VISA ☐ ACCESS

☐ DINERS ☐ AMERICAN EXPRESS

Card No.

Expiry Date

Signature

IC STOCKMARKET LETTER is a Trademark of The Financial Times Group

Money-Back Guarantee

After receiving my 4 free issues of IC Stockmarket Letter I can cancel. Any payment I make now will be refunded in full. BLOCK CAPITALS PLEASE

Mr/Mrs/Miss

Job title

Company/Private Address

Postcode

Nature of Business

696312

FT BUSINESS INFORMATION LIMITED, REG OFFICE: NUMBER ONE SOUTHMARK BRIDGE, LONDON SE1 8NS

REG NO. 90808



CHINA & EASTERN INVESTMENT COMPANY LIMITED

Preliminary Announcement of Final Results for the Year Ended 31st July, 1990.

| | 1990 US\$ | 1989 US\$ |
|---|--------------|--------------|
| TOTAL NET ASSETS | 33,825,845 | 24,949,901 |
| GROSS REVENUE | | |
| Income from listed investments | 939,293 | 985,198 |
| Net gain from trading in dealing investments | 313,614 | 86,349 |
| Interest on deposits | 187,581 | 290,070 |
| Interest on loans to unlisted investments | 35,592 | - |
| Net exchange gain/(loss) | 16,141 | (103,856) |
| Sub-underwriting fee | - | 1,216 |
| Other income | - | 97 |
| | 1,492,221 | 1,259,074 |
| ADMINISTRATIVE EXPENSES | (695,042) | (711,509) |
| PROFIT BEFORE TAXATION | 797,179 | 547,565 |
| TAXATION | 3,120 | (1,353) |
| PROFIT FOR THE YEAR | 800,299 | 546,212 |
| PROPOSED DIVIDEND | (347,953) | (518,396) |
| PROFIT FOR THE YEAR, RETAINED | 452,346 | 27,816 |
| EARNINGS PER SHARE | | |
| BASIC | US\$0.0462 | US\$0.0317 |
| FULLY DILUTED | - | - |
| DIVIDEND PER SHARE | US\$0.02 | US\$0.03 |
| NET ASSET VALUE PER SHARE | | |
| BASIC | US\$1.94 | US\$1.44 |
| FULLY DILUTED | US\$1.81 | US\$1.38 |
| OTHER TRANSFERS TO/(FROM) RESERVES | | |
| Net profit on disposal of investments | 99,791 | 1,638,147 |
| Increase/(decrease) in valuation of investments | 8,206,376 | (3,237,163) |
| EARNINGS PER SHARE | | |

The calculation of the earnings per share is based on profit for the year of US\$800,299 (1989: US\$546,212) and on the weighted average number of 17,318,597 shares (1989: 17,209,587 shares) in issue. Fully diluted earnings per share is not shown as there is no dilution.

TAXATION

The provision for Hong Kong taxation is calculated by applying the current rate of taxation to the estimated assessable profits which were earned in or derived from Hong Kong during the year.

EXTRACT FROM THE CHAIRMAN'S STATEMENT

The 1990 financial year witnessed conflicting performances in the Hong Kong and Japanese stock markets - the two major markets in which your Company invests. The Hong Kong market showed continuous and strong growth until the year end, whereas Japan after remaining firm in the earlier months weakened considerably. The economic climate in China improved during the year and this had a beneficial effect on confidence in Hong Kong. However, the recent events in the Middle East have severely affected equity market conditions and the outlook for the coming year is uncertain. Within China Deng Xiaoping and his conservative supporters remain well entrenched. The hard line political attitude taken by the Chinese Government regarding the future of Hong Kong remains unchanged but this has not prevented a continuing close relationship with Guangdong Province and a resulting increase in trade.

FINAL DIVIDEND

Your Board is recommending a final dividend of US\$0.02 per share. (1989: US\$0.03 per share).

DIRECTORS' INTERESTS IN SHARES AND/OR WARRANTS

At 31st July, 1990 Mr. J.D. Rotover had a beneficial interest in 4,700 ordinary shares and 940 warrants of the Company. No other director holding office at 31st July, 1990 or their associates had any beneficial interest in the Company's ordinary shares and warrants. No director holding office at 31st July, 1990 or their associates had any beneficial interest in the share capital of the Company's subsidiaries.

Veritatem Hong Kong Limited
Hong Kong
21st September, 1990

The Annual Report and Accounts will be posted to shareholders in the middle of October, 1990 and will be made available to the public at the Company's Registered office: 8th Floor, Prince's Building, Hong Kong, its Registrar: Central Registration Hong Kong Limited, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong and its U.K. Transfer Agent: Barclays Registrars Ltd., Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU. The Annual General Meeting will be held at 11.00 a.m. on 13th November, 1990 at 155 Bishopsgate, London EC2M 3XY.

The Register will close at 4.00 p.m. on 1st November, 1990 and will re-open at 9.00 a.m. on 14th November, 1990. All transfers must be lodged with the Registrar no later than 4.00 p.m. on Thursday, 1st November, 1990.

UK NEWS - SLIDING INTO RECESSION

South-east takes the brunt this time round

MR JOHN MAJOR would probably like to close his ears to the leading industrialists who this week pleaded for interest rate cuts to save UK companies.

Yesterday's figures for gross domestic product in the second quarter underline the problem. GDP rose by only 0.3 per cent over the quarter (not a recession in the technical sense, the general definition is two consecutive quarters of negative growth).

All the economic news since the summer has pointed to the danger of a slowdown turning into a full-blown recession. The signs were there even before the Iraqi invasion of Kuwait.

Higher oil costs brought about by the Middle East crisis - has less of an inflationary impact on Britain as an oil-exporter than it has on other countries. But slower growth because of increased energy costs means that Britain is facing recession square-on.

It must be the Chancellor's worst nightmare, recession breaking out before inflation - which could reach 11 per cent this month - has peaked.

The last thing Mr Major wants is to lose either credibility or the battle against inflation. He has held interest rates at 15 per cent for almost a year, but it is only since the summer that the economic indicators have started pointing in one direction.

Retail sales were, until the summer, bobbing up and down until they fell decisively in August. Consumer borrowing was at a record high in January before tumbling last month.

The unemployment figures gave the earliest warning signal. In February, unemployment stopped falling. Joblessness is rising in ever-bigger monthly totals and at an annual rate of a quarter of a million a year. Since January the numbers out of work have risen markedly in the south while remaining relatively stable in the rest of the country.

To cut interest rates when the economy is still growing at an annual rate of 2.5 per cent, prices still rising and big wage settlements looming would not be the hallmark of the cautious Mr Major - even if 1980-1981 turns out to be a repeat of 1980-1981. The 1980 recession

Output expectations

| | % |
|---------------|-----|
| North | +6 |
| York & H'side | -9 |
| E Midlands | -8 |
| East Anglia | +1 |
| South-East | 0 |
| South-West | -3 |
| W Midlands | -18 |
| North-West | -2 |
| Scotland | +1 |
| Wales | -2 |
| N Ireland | +25 |
| UK | -5 |

% balance between positive and negative output expectations. CBI August survey of 1,258 members.

came about through a combination of high interest rates and a stifling squeeze on export competitiveness.

Sterling had been appreciating strongly for over two years, sparked by the discovery of North Sea oil and fuelled by the oil price shock of 1979 and the tight monetary stance of the new Conservative administration.

In 1980 the squeeze was felt most severely among export-orientated manufacturing companies, predominantly located in the then industrial heartlands of the north-west, west Midlands, the north and Scotland. Manufacturing output fell 9 per cent in 1980 alone.

The steady slide into the recession of 1980 is in marked contrast and displays a wide divergence of regional and sectoral trends.

This time round it has been the south-east and east Anglia which have been most severely affected by the current downturn. The current squeeze has been felt first in the property and service sectors in the south, with construction companies first to suffer.

House prices have fallen sharply across the south - the area where the property boom of the 1980s was largely located. House prices in the north have remained stable, even rising in some areas. The consequent fall in the nominal value of household wealth, combined with high interest rates, has slowly reduced the growth of consumer spending. Retail sales in the south are

estimated to be growing at a slower rate than in the UK as a whole in 1990.

The boost to international competitiveness provided by the depreciation of sterling throughout 1989 and into the first quarter of this year has in part sheltered the northern regions from the current slowdown. As domestic demand has slowed, exporters have switched their attention to foreign markets, prompting a rise of 9.5 per cent in the volume of non-oil exports over the year to the latest quarter.

Sterling's recent strength, however, could prevent companies from exporting themselves out of recession. A CBI/BSL survey (see accompanying chart) of companies' output expectations for the remaining months of the year shows a consistent pattern of low output expectations across the country as a whole.

Investment intentions for the next year, a good guide to the longer term confidence of industry, are similarly depressed, making it likely that rising unemployment will become a fact of life across the north over the coming months.

Will the current downturn prove as severe as the recession which kicked off the Thatcher decade? While sterling has appreciated it has not reached anything like its overvalued status of late 1979. Britain is now saddled with a large current account deficit which makes sustained real appreciation of the currency less likely.

The capacity of manufacturing industry to survive a short sharp shock to competitiveness has increased as a result of the reforms and productivity gains of the past decade.

However, the prospects for the British economy over the next two years remain shrouded in uncertainty. Entry into the exchange rate mechanism combined with war in the Gulf could leave industry facing a strong exchange rate indefinitely. The capacity of manufacturing industry to survive such a shock to its international competitiveness, without suffering considerable pain, appears highly doubtful.

Rachel Johnson and Edward Balls

Boost for insolvency experts

THE corporate undertaking business in Britain has taken on a new lease of life.

The number of company failures has climbed rapidly in the past 18 months although the number of insolvencies is not yet as high as in the aftermath of the early 1980s recession.

Government statistics show that the number of insolvencies in 1989 was 6,890, and rose each year to a high of 14,898 in 1990. This fell back to 9,427 in 1991 but rose again to 10,466 in 1992.

Mr Alastair Jones, a senior corporate recovery partner in KPMG Peat Marwick McLintock's Birmingham office, says that the number of UK insolvencies was about 100 a month in the summer of 1989, rising to 200 a month by the end of the year and 300 a month by mid-1990. In August this year there were 400 recoveries.

According to Dun & Bradstreet, the business information company, there were

11,500 business failures in the first six months of the year, up 30 per cent over the same period last year. The business research company calculates this was the largest number of business failures in 10 years.

Insolvency experts may be gleeful at the sudden surge in business but they are not convinced that the UK economy is on the brink of recession. One difference, many point out, is that the large manufacturing companies which bore the brunt of the last recession are not yet going under.

Mr Mark Egan, head of Price Waterhouse's insolvency practice, says: "I still don't think that we're seeing the serious failures in the manufacturing base that we saw in the early 1980s. I'd like to think that won't happen."

The businesses suffering most are small, recently established companies run by managers with no experience of previous recessions.

"The companies that were going bust in the Midlands 10 years ago were perhaps 70 or 80 years old," says Mr Jones. "The typical business which fails now has only been around for four or five years."

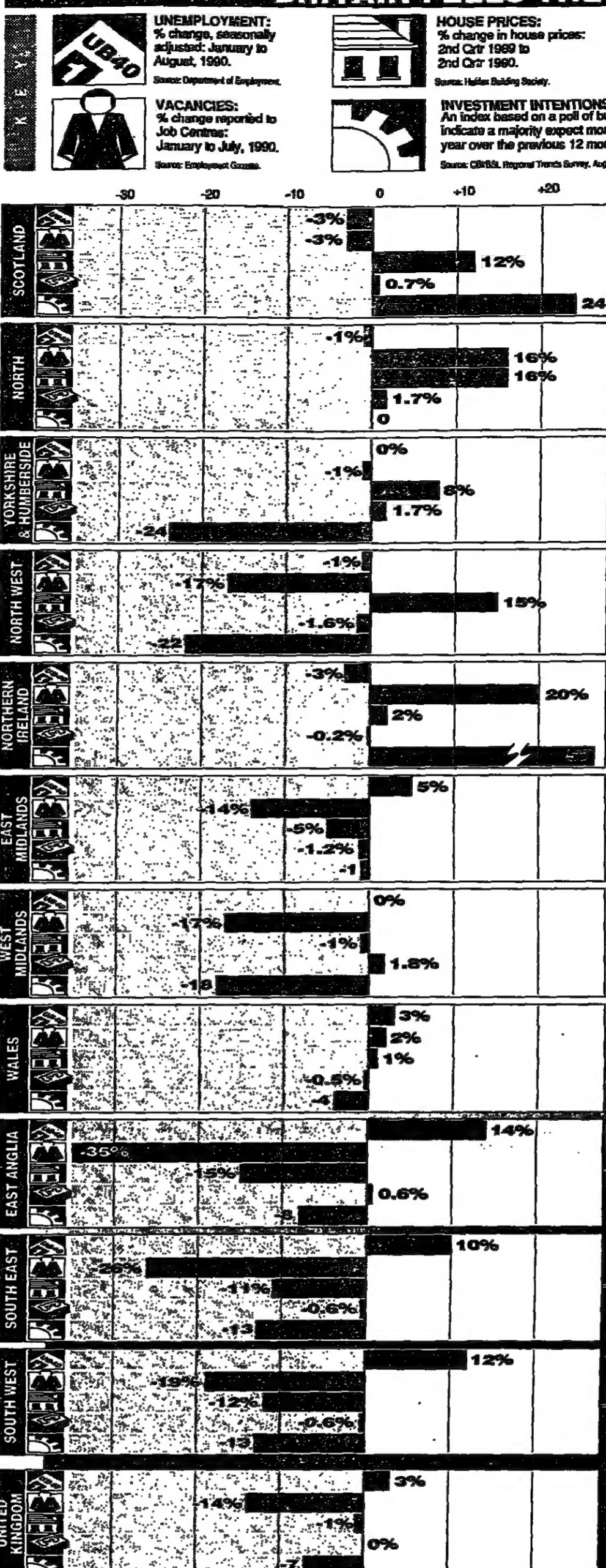
The companies tend to be in the service sector - for example, in retailing, computer software, high-tech electronics - rather than manufacturing.

Dun & Bradstreet calculates that 5,212 of the 11,500 failures in the first six months of the year - 46 per cent of the total - were in London and the south-east, an increase of 33 per cent for this region.

There are signs that business failures are spreading from the south-east to other regions: business failures in the south-west were up 54 per cent in the first half, by 25 per cent in the West Midlands, and by 34 per cent in the north-west.

David Waller

BRITAIN FEELS THE SQUEEZE



RETAIL SALES: % growth (est) for 1990, relative to UK average. Source: Guinness Strategies (London) Ltd.

INVESTMENT INTENTIONS: An index based on a poll of businessmen. Positive numbers indicate a majority expect more investment in the coming year over the previous 12 months. Source: CBI/BSL Regional Trends Survey, Aug 1990.



Economists predict sustained economic slowdown for most of 1991

BRITAIN IS lurching into a period of sustained economic slowdown which will probably last for most of next year. Pains will be felt in virtually all sectors and unemployment is likely to climb to 2m or more by the end of 1991.

This is the view of some of the UK's leading economists, many of whom believe the Government will hold off from reducing interest rates until early next year in an effort to prolong the slowdown and reduce inflation.

The economic gloom will be reinforced, many of the economists say, by the UK entering the exchange rate mechanism (ERM) of the European Monetary System (EMS) - an event likely to take place in the next six months.

Joining the ERM, which will tie sterling into a fixed band of exchange rates related to the movements of other European currencies, is expected to have the effect of forcing down wage increases and squeezing out demand from many sectors of the economy.

The economists provide just a few crumbs of comfort. Many say Britain is unlikely to experience such a deep decline in output and business confidence as in 1980-81. During this period much of UK industry was brought to its knees.

The economists are divided on whether Britain is technically in a recession or likely to experience one. A recession is often defined as two successive three-month periods in which growth declines.

The figures for total UK output in the third and fourth quarters of 1990, and in early 1991, may confirm that Britain is in such a decline.



Wynne Godley: "To me it is quite clear we are in a recession, and we have been for some time."

Patrick Minford: "Our central forecast is not for a recession - but that assumes an early reduction in interest rates."

Bill Martin: "Yes, we are in a recession... there is no alternative if you want to defeat inflation."

Garrya Davies: "Britain will probably not see a full-scale recession... there will be a long period of bleakness."

John Flemming: "It was not to be expected that a sustained period of high interest rates... would leave no casualties."

Andrew Britton: "Rising unemployment, more bankruptcies, poor profits and quite a lot of distress."

Until that happens many economists prefer to talk about a "sustained pause."

Mr Garrya Davies, chief UK economist at the London office of Goldman Sachs, a New York bank, is a relative optimist.

He says the slowdown is likely to bottom out in mid-1991 and that Britain will probably not see a full-scale recession.

There will be a long period of bleakness. It will be a shallow decline and any pick-up in demand will be sluggish. It will be at least

two years before we see growth at anything like the underlying rate for the UK economy of about 2% per cent a year," he says.

In contrast, Mr Bill Martin, chief UK economist at UBS Phillips and Drew, a Swiss-owned bank, does not mince his words. "Yes, we are in a recession. There is no alternative if you want to defeat inflation."

"I notice a sharp change of gear in the company sector - the walking wounded are falling down more effectively... I have no doubt that manufacturing is very depressed

and will suffer absolute falls in output. It will last six months."

Mr Martin warns of difficulties for export-orientated manufacturers. "Companies were hoping that they would be able to export themselves out of recession but the strong exchange rate has prevented that," he says.

Professor Patrick Minford, of the Department of Applied Economics at Liverpool University, says Britain is teetering on the brink. "Our central forecast is not for a recession but that assumes an early

reduction in interest rates and that we do not join the ERM before a general election in 1991 or 1992. But if interest rates are held at their present levels for three to six months, or we went into the ERM, we could get a very serious recession."

The message is compounded by wide anecdotal evidence of the slowdown from companies. The decline of bank lending means the recession is going to be large," he says.

Mr Andrew Britton, director of the National Institute for Economic and Social Research, predicts "ris-

ing unemployment, more bankruptcies, poor profits and quite a lot of distress."

He does not expect a slackening in interest rates until next year.

Mr John Flemming, the Bank of England's chief economist, had the following four messages in the bank's most recent quarterly bulletin: "It was not to be expected that a sustained period of high interest rates, required to correct earlier laxity, would leave no casualties or that the banks should be immune from its consequences."

"The number of corporate failures has already risen. These developments in the domestic economy have caused banks to increase significantly their provisioning for bad debts in the past year."

One sentiment shared by virtually all leading economists is caution about predicting in detail the likely pattern of events over the next year. Whatever happens next in the Gulf crisis will upset the most carefully-considered economic forecast.

Economists are also aware of their poor record in forecasting. Many are haunted by memories of 1986-88, when the economy was running at full blast and stoking up the inflationary pressures that are only now making themselves fully apparent.

Few economists, as many now admit, recognised the speed with which the pressures were building up - nor had they any inkling of the problems the UK was running into.

ing unemployment, more bankruptcies, poor profits and quite a lot of distress."

He does not expect a slackening in interest rates until next year.

Mr John Flemming, the Bank of England's chief economist, had the following four messages in the bank's most recent quarterly bulletin: "It was not to be expected that a sustained period of high interest rates, required to correct earlier laxity, would leave no casualties or that the banks should be immune from its consequences."

"The number of corporate failures has already risen. These developments in the domestic economy have caused banks to increase significantly their provisioning for bad debts in the past year."

One sentiment shared by virtually all leading economists is caution about predicting in detail the likely pattern of events over the next year. Whatever happens next in the Gulf crisis will upset the most carefully-considered economic forecast.

Economists are also aware of their poor record in forecasting. Many are haunted by memories of 1986-88, when the economy was running at full blast and stoking up the inflationary pressures that are only now making themselves fully apparent.

Few economists, as many now admit, recognised the speed with which the pressures were building up - nor had they any inkling of the problems the UK was running into.

Peter Marsh and Rachel Johnson

UK NEWS

NEWS IN BRIEF

SNP leader warns his successor

MR GORDON Wilson, outgoing leader of the Scottish National Party, yesterday addressed the party conference for the last time as leader and warned the two candidates in the election for his successor that the job was "more like being a team captain than a striker or even team manager."

He described both candidates - Mrs Margaret Ewing, MP for Moray, and Alex Salmond, MP for Banff and Buchan - as "excellent people," but the reference to a "team captain" was interpreted by some as coded support for Mrs Ewing.

Alec Ellinger

MR ALEC Ellinger, a notable pioneer of investment analysis in the postwar era, has died aged 85. Founder in 1946 of the Cambridge-based consultancy Investment Research, he was regarded as the leading technical - or chartist - analyst of his day, although he was also active in developing methods of fundamental analysis of companies.

Of a number of books and articles he published, the most successful was *The Art of Investment*, which went to several editions.

Poll tax judgment

THE COURT of Appeal will "do its best" to give judgment on Monday in the appeal by Mr Chris Patten, the Environment Secretary, who is attempting to reverse the £221 poll tax figure set by the London Borough of Lambeth, which has had its budget capped.

BA grounds aircraft

BRITISH Airways yesterday withdrew its fleet of nine Advanced Turbo-Prop aircraft for checks after the crew of one had difficulties lowering the undercarriage.

The flight from Glasgow, with 53 passengers aboard, was to circle Birmingham Airport once before landing on Thursday because at first the undercarriage would not lower.

Cash for N Ireland

ATTEMPTS TO promote reconciliation between Protestants and Roman Catholics in Northern Ireland received cash aid yesterday from the European Commission.

Mr Bruce Millan, the European Commissioner responsible for regional policies, announced a £24m allocation from Brussels to help improve Northern Ireland's physical and social environment.

Stockbrokers fined

THE SECURITIES Association (TSA) yesterday fined London stockbrokers Oakes Fitzwilliams £10,000 after they admitted to dealing through a trader who was not registered under the Financial Services Act.

TSA said the case involved negligence and poor compliance procedures, rather than any deliberate contravention leading to a loss to investors.

The regulatory body also yesterday suspended David Street Investment Research, a subsidiary of the Broad Street public relations group which has never conducted any investment business, for failing to meet the TSA's capital adequacy rules.

Bid regulations

RIDS FOR UK companies will automatically lapse in the event of the European Commission subjecting them to scrutiny under its merger control regulations, the Takeover Panel said.

The Panel's statement on the regulations, which came into force yesterday, extends the practice under which bids lapse when they come under review by the UK competition policies.

Solicitors hope for early determinations in Guinness case
Saunders and Parnes to appeal

By Robert Rice, Legal Correspondent

TWO of the three men jailed for their part in the illegal share support operation mounted during the 1986 Guinness takeover battle for Distillers are to appeal.

Mr Ernest Saunders, the former chairman and chief executive of Guinness, jailed for five years, and Mr Anthony Parnes, a City stockbroker, jailed for two-and-a-half years, announced yesterday that they would both appeal against conviction and sentence.

Lord Mischon, solicitor for Mr Gerald Ronson, the chairman of the Heron Group who

was jailed for one year and fined £5m, said yesterday his client was still considering the question of an appeal.

Mr Saunders' Manchester solicitors Pannone Blackburn confirmed that an appeal had been lodged with the Court of Appeal in London.

The decision was taken by Mr Saunders himself after consultation with his lawyers at Ford Open Prison in West Sussex, where all three men are serving their sentences.

His solicitors said they hoped that an appeal could be held or determined by the end

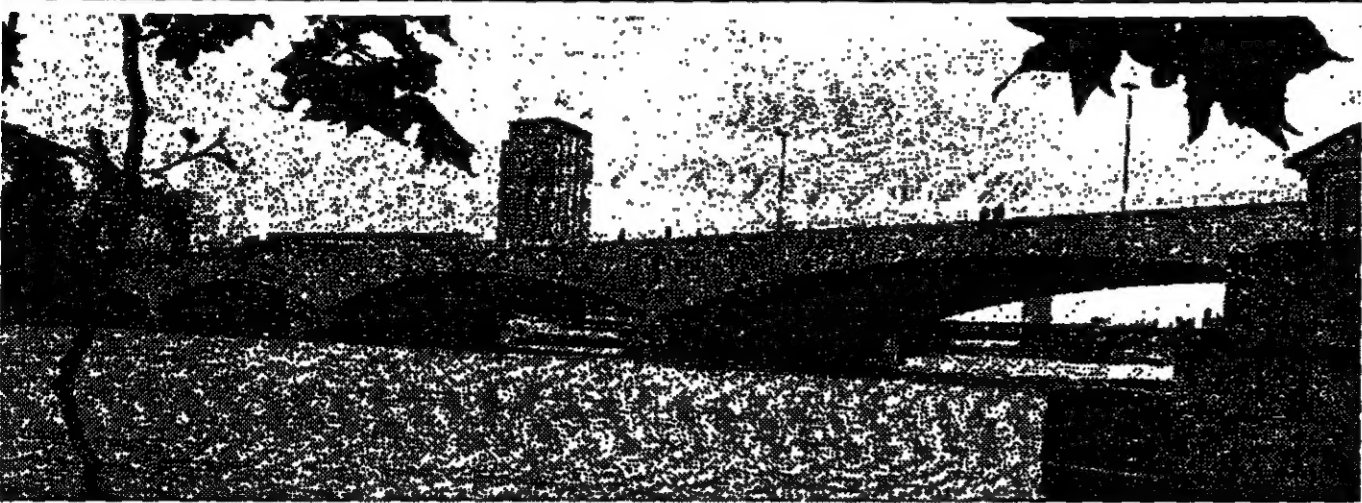
of the year. Mr Saunders still faces trial in the second part of the Guinness prosecution, in which his co-defendants are Mr Roger Seelig, former Morgan Grenfell corporate finance director, Mr David Mayhew, senior corporate finance partner of stockbrokers Cazenove & Co, and Lord Spens, the former director of corporate finance at Henry Ansbacher merchant bank.

Although there is a possibility that the Serious Fraud Office might decide not to proceed against Mr Saunders in that trial, his solicitors said

some of the issues in the first trial were "five" with regard to the second trial and logic therefore dictated that any appeal should be dealt with before it began.

Mr Saunders, Mr Ronson, Mr Parnes and Sir Jack Lyons, the millionaire financier, were between them convicted on 28 charges of conspiracy, theft and false accounting after a 107 day trial at Southwark Crown Court. All charges were denied.

Sir Jack, who had to undergo operation shortly after the trial finished on August 28, will be sentenced on Tuesday.



Waterloo Bridge by day: a survey will find whether night fires have seriously weakened its structure

Fears for Waterloo Bridge as survey begins

By Jeremy Clyne

SURVEYORS commissioned by Lambeth Council in south London have started a two-week study of the southern approach to Waterloo Bridge, following fears that the structure may have been seriously weakened by night-time fires lit by those sleeping rough under the bridge.

The area below the roundabout at the southern end of the bridge is known as "cardboard city" and is home to more than 100 mainly young, homeless people sleeping rough in improvised shelters.

If repairs are found to be needed, the bridge might have to be closed, leading to severe traffic disruption - traffic on the two neighbouring bridges, West-

minster and Blackfriars, is already restricted.

Intense heat from fires, started accidentally or which have got out of control, has apparently damaged the concrete and reinforcing materials in the columns supporting the heavily used roadway above.

Mr Harvi Mudhar, the borough engineer, said the strength of some columns may have been affected. Several have begun to

disintegrate at the base. He is particularly concerned about a dip in the carriageway apparently over a line of damaged columns.

Cracks in the blackened underside of the carriageway and apparent failures in the expansion material are also being surveyed.

Mr Mudhar said any repairs would entail closing the area - near the centre of the South

Bank arts complex and between the Royal Festival Hall and the National Theatre - and shifting the occupants.

Lambeth council said its responsibility would be to assess the homeless for rehousing and its officers had begun to interview them.

Council workmen were yesterday sealing up a service duct carrying electrical cables. The duct had been broken into, slept in and used as a toilet.

In the worst-case scenario of the bridge having to be closed for substantial repairs, the cost is expected to run into millions of pounds, money which the poll tax-capped authority could not afford, the council said.

Agency keeps Holsten account

By Alice Rawsthorn

GOLD GREENLEES TROTT, the London advertising agency, has retained its £5m account for Holsten Pils beer and won a new £2m account for United Riscuits KP Nuts.

The company has also agreed on the terms of a severance package with Mr Dave Trott, one of its founders and major shareholders, who was fired as creative director of the agency after a boardroom rift this summer.

The news of the account with Mr Trott for weeks. It has agreed to make a financial payment, but will retain the right to use his name.

Mr Trott still holds a 5 per

cent stake in the GGT group. Mr Mike Greenlees, joint chairman, said the agreement did not cover the future of his share and Mr Trott had not indicated what he intended doing with them.

GGT's shares have fallen by 20p to 88p since Monday when it issued its profits warning. The group has been hit by the slowdown in the advertising markets of the UK and, to a lesser extent, the US. James Capel, its stockbroker, reduced its profits forecast for the present financial year to £5m, compared with £7.7m on turnover of £199.4m last year.

stake in the GGT group. Mr Mike Greenlees, joint chairman, said the agreement did not cover the future of his share and Mr Trott had not indicated what he intended doing with them.

GGT's shares have fallen by 20p to 88p since Monday when it issued its profits warning. The group has been hit by the slowdown in the advertising markets of the UK and, to a lesser extent, the US. James Capel, its stockbroker, reduced its profits forecast for the present financial year to £5m, compared with £7.7m on turnover of £199.4m last year.

Exchange Travel closes 65 agencies

EXCHANGE Travel, the travel agency chain which was put into administrative receivership earlier this week, yesterday formally ceased trading with the loss of 300 jobs, writes David Churchill, Leisure Industries Correspondent.

The decision to close the company's 65 high street travel agencies followed the decision by the Association of British Travel Agents to withdraw Exchange Travel's membership. This prevented Exchange from selling package holidays organised by tour operators who are members of ABTA.

However, the future of another 64 Exchange Travel shops - franchised outlets run independently of Exchange Travel's management - remained uncertain yesterday. These outlets may be able to apply for individual membership of ABTA.

A spokesman for the administrators said yesterday that efforts were still being made to find a buyer for the travel agencies.

● Lunn Poly, the travel agency chain, yesterday agreed to start selling Air Europa holidays again after resolving a dispute between the two companies. A joint statement said that they had entered "into a long-term three-year agreement and Lunn Poly is now fully committed to selling Air Europa holidays through its outlets."

Labour meets over Welsh strategy

By Anthony Moreton, Welsh Correspondent

THE Labour Party in Wales is getting into gear for the next general election with a two-day meeting of its party executive in Harlech.

The meeting begins today as a NOP poll commissioned by HTV shows the party to have a commanding lead over the Conservatives in Wales, with 56 per cent of the vote, against 36 per cent for the Tories, 7 per cent for Plaid Cymru, the Welsh nationalists, 5 per cent for the Liberal Democrats and 4 per cent for the Greens.

At the 1987 general election Labour won 45 per cent of the vote in Wales and the Conservatives 30 per cent. Labour's increased share of the vote is largely at the expense of the

Liberal Democrats, who have dropped from 18 per cent three years ago.

Labour holds 25 of the 38 Welsh constituencies but has only three of the 10 in North Wales, though membership in the area has been rising following the winning of the area constituency in last year's Euro elections.

Despite Labour's lead in the NOP poll, the magnitude of its task in North Wales can be seen from the fact that five of the seats in the area were won by majorities of less than 4,300 in 1987 and the party came a poor third in three of them.

Its best hope lies in Dafydd Iwan, a former parliamentary jour-

nalist, was returned with a majority of just 1,224 over Labour. In the other four seats, each contested by four parties, Labour's best achievement was to win 25 per cent of the vote.

In Clwyd North West, a safe Conservative seat, Sir Anthony Meyer, who was de-selected as MP in January after challenging Mrs Margaret Thatcher for the party leadership, has three times the constituency as an independent.

Elsewhere in Wales, Labour is confident following its success in the Vale of Glamorgan by-election last year which was caused by the death of Sir Raymond Gower, who had held the seat for the Conservatives since 1951.

Sky TV considers arts channel

By Raymond Snoddy

MR RUPERT MURDOCH, chief executive of News Corporation, is again considering launching an arts channel as part of his Sky Television network.

"We would like to see if we could put together a group of companies to do an arts channel," said Mr Murdoch yesterday, his last day as executive chairman of Sky. He remains company chairman, but Mr Sam Chisholm is taking over as chief executive.

Mr Murdoch hopes an arts channel could be financed by corporate sponsorship.

Before the launch of the four Sky channels in February 1989, Sky had been envisaged as a six-channel system. Plans for a Disney channel came to nothing after a public row between Disney and News Corp and the arts channel was also dropped.

Mr Murdoch is looking at reviving the idea in advance of the launch of the second 16-channel Astra satellite early next year, which will probably offer three additional English language channels to add to the eight available already.

THE Financial Times has threatened legal action against the London Broadcasting Company unless the radio station drops an advertising campaign on London buses with the copylines "No FT - No Problem. LBC NewsTalk."

The advertisement on 200 main London bus routes is an obvious reference to the successful FT advertising slogan: "No FT - No Comment."

Mr Peter Thornton, managing director of LBC, expressed

surprise yesterday at the FT's reaction and said: "We see it as a great opportunity for extra exposure for the FT and a tribute to their advertising campaign. We note the campaign would continue."

The threat by FT solicitors, in the paper's second "passing off" dispute this month, on Monday it failed to win an interim injunction preventing the London Evening Standard printing its new financial section on pink paper.

Mr Murdoch said yesterday: "Let BSB sue Reed - they own Variety." Reed International is a large shareholder in BSB.

● BSB, which launched its five-channel system in April, claims to be available in 500,000 homes, 80,000 with their own Squares.

The BSB target for the end of the year is more than 1m homes, of which about 400,000 will have their own receivers. Sky is available in more than 1.6m homes.

EMPLOYMENT

Ucatt to start campaign against solvent-based paints

By Diane Summers, Labour Staff

THE construction union Ucatt is to launch a campaign against the use of solvent-based paints, following preliminary survey findings which, according to the union, show high levels of sickness among members using the paints.

Meanwhile, a High Court date is likely to be set soon for what could turn out to be a landmark case on the use of solvent-based products.

The union is backing a claim from a man who developed cancer and who is alleging that his employers could reasonably have been expected to protect him from the effects of the paints.

If the claim is successful, and is helped by publicity surrounding the proposed Ucatt campaign, it could lead to a rush of other cases against employers from both retired and working painters.

The union says that it has surveyed a large sample of members in different forms of employment throughout the UK who were in contact with

solvent-based paints. The results are still being analysed but preliminary findings show that "a surprisingly high proportion" had suffered ill effects and reported illnesses ranging from minor skin complaints through to cancer allegedly linked to the paints.

Ucatt has yet to settle on the tactics for its campaign, which will probably be launched in the autumn, but one strategy could involve targeting particular paint manufacturers with calls for more money to be spent on the development of products which are water-based.

Ms Moira McMillan, director of the Paintmakers Association, said manufacturers were concerned.

"We are a responsible industry but we have to produce paints that customers want to buy," she said.

The Health and Safety Executive said yesterday that it recommends employers to consider using water-based paints, "assuming those formulations meet the requirements of the

job." It also said that paint is covered by the Control of Substances Hazardous to Health (Coshh) regulations.

As part of the assessment, an employer has to consider the substitution of a hazard by the substitution of safer paint.

● Wolverhampton Metropolitan Borough Council was yesterday fined £1,250 with £890 costs under Coshh and pesticide regulations after a 19-year-old apprentice carpenter became ill when she was exposed to a fungicide at work.

Ms Mandy Lewis sprayed, rather than brushed the chemical on to the ceiling of a council property.

This resulted in her being exposed to high levels of the fungicide.

In the run-up to the first anniversary of the Coshh regulation, the HSE said the case was the latest of a number of prosecutions covering a range of work activities, which were not all necessarily in high-risk industries.

Savoy chefs to help catering students

By Lisa Wood

COMPLETE with specially printed menus, pink linen, china, and glass, as well as all the food and wines, top chefs from the Savoy, one of Britain's leading luxury hotels, will this autumn be visiting catering colleges in order to present the industry as an attractive career choice.

The Savoy team, which will include either Mr Anton Edelmann, the hotel's maître chef de cuisine, or Mr David Shand, the maître chef at the Savoy Grill, will work with tutors and students to prepare a meal.

These will be served by the students to the public with the money raised donated to charity.

Mr Edelmann said: "We need to raise people's awareness of the opportunities in this industry and to help school leavers see that careers in catering are worthwhile."

The Savoy employs 115 chefs with about 400 of its 650 employees directly employed in food preparation and service.

Mr Eric Beckley, the head of the hotel's personnel and training services, said the hotel, which has its own training programmes, had no problem in finding staff.

However, it did have difficulties in finding people of the right quality, who were committed to the industry.

"We want to tell young people that if they join our industry there are lots of opportunities," he said.

London Underground aids ethnic minorities

By Lisa Wood, Labour Staff

LONDON Underground yesterday announced it had set itself targets for the number of ethnic minority employees at senior and middle management level.

The company, part of London Transport, intends to make at least 15 per cent of its senior and middle management appointments over the next three years from ethnic minorities.

Although 28 per cent of the company's workers are from ethnic minorities only one per cent of its middle management are from such minorities.

The company intends to achieve its targets through various means, including increasing the number of graduates from ethnic minorities.

At present the figure is 11 per cent of all graduate trainees. This will rise to at least 15 per cent over the next three years. London Underground is also considering training pro-

grammes which could assist existing employees to compete more effectively for jobs.

London Underground said: "There are people within the company who have the ability to progress in the organisation but who may not have had the opportunity to go forward for training. We want to get away from any idea that we only employ ethnic minorities on platforms."

In 1988 in a large scale management re-structuring there were 10 new general managers appointed at London Underground.

There was not one member of an ethnic minority among them, neither are there any among their immediate subordinates.

London Underground, which has a better record than many employers in its appreciation of equal opportunity policies, set up a special committee last year to seek to secure equal opportunities for all its staff.

Central pay bargains to end at Prudential

By Diane Summers, Labour Staff

PRUDENTIAL Assurance has introduced decentralised pay bargaining for its clerical and administrative staff.

Members of MSF, the general technical union, have called off their three-month war to rule on the subject.

The company gave formal notice to the union in June that it intended to end its central collective bargaining agreement.

Seven new "business-based" bargaining units are being introduced in time for next year's pay talks. Discussions with the union about the separate new procedural agreements are under way.

The company rejected union proposals to retain central discussion on some issues.

However, Prudential said it might be possible for more than one division sharing the same location, for example, to sit down jointly to solve a difficulty.

There could also be company-wide negotiations in the event of reductions in staff or closures. The talks would take place to aid the movement of staff between divisions, said Prudential.



The Choice for Charities

● The Charities Official Investment Fund
Investments mainly in U.K. and Overseas Equities
Aims at long-term income and capital growth
Gives constant professional management
Simplifies investment administration

● COIF Charities Fixed Interest Shares
Investments in U.K. fixed interest and convertible stocks
Offers a high yield but no inflation protection

● COIF Charities Deposit Account
A high daily interest rate
Withdrawals on demand
Gross quarterly interest

Funds total over £520 million and are managed in the City of London under Charities Commissioners' Schemes by trustees who are exempted persons under the Financial Services Act 1986.

Please remember the Funds' share values and their dividends and the Deposit Account interest can fall as well as rise. Past performance is no guarantee of future returns.

To: The Charities Official Investment Fund,
2 Fore Street, London EC2Y 5AP (071-586 1815)

Please send me an explanatory Booklet and Report on

COIF ☐ COIF Fixed Interest ☐ COIF Deposit ☐

Name

Address

Charity

MEMBERS of the NUJ, the journalists' union, and the NGA print workers' union employed by Morgan Grampian, which is part of United Newspapers, have rejected a 7 per cent pay offer.

The NUJ said a ballot on industrial action short of a strike, had been authorised with possible action likely to include working to contract until a new offer was made.

Tailors to vote over plan for merger

A SPECIAL conference of the National Union of Tailors and Garment Workers has overwhelmingly backed a proposal to amalgamate with the GMB general union. The 72,000-strong membership will be balloted on the plan.

Mr Alec Smith, the general secretary, said: "Although we are financially sound, the decision had been reached in order to ensure that clothing workers' interests would continue to be protected by a strong national trade union in the years that lie ahead."

Pay offer rejected

MEMBERS of the NUJ, the journalists' union, and the NGA print workers' union employed by Morgan Grampian, which is part of United Newspapers, have rejected a 7 per cent pay offer.

The NUJ said a ballot on industrial action short of a strike, had been authorised with possible action likely to include working to contract until a new offer was made.

IN TRANSIT WAREHOUSE
Vauxhall, London SW8

URGENT PUBLIC AUCTION
Distressed Order Executed by the Court Appointed Bailiff
District Court Judgment Landlord's Distress

SEIZED VALUABLE ASSETS
A Large Confiscated Stock of
PERSIAN & EASTERN
Handmade Carpets, Rugs & Corridors
Including: Nain, Isfahan, Bidjar, Heriz, Kashkay, Hissarabad,
Shiraz, Kerman, Belouch, Kani Kazar, etc.
In Silk & Wool. All Sizes from 2' x 1' to 14' x 10'

Remaining goods requested in accordance with the Court verdict
now appertained with other items for immediate liquidation by

SHORT NOTICE PUBLIC AUCTION
SUNDAY, 23rd SEPT. at 11.00 a.m. SHARP
Inspection from 10.00 a.m.

This superb portion of distressed in transit now ordered to be sold
in quickest possible manner PIECE-BY-PIECE at

SKILLION STORAGE WAREHOUSE
67-71 Bondway, Vauxhall, London SW8
(Situated 200 yards from Vauxhall Bridge, direction Nine Elms)

Terms: Cash, Certified cheques, major Credit Cards
BICKENSTAFF & KNOWLES, Auctioneers,
6 The Arcade, Thurloe St., London SW1. Tel: 071-589 7971.

Sky TV considers arts channel
By Raymond Snoddy

MR RUPERT MURDOCH, chief executive of News Corporation, is again considering launching an arts channel as part of his Sky Television network.

"We would like to see if we could put together a group of companies to do an arts channel," said Mr Murdoch yesterday, his last day as executive chairman of Sky. He remains company chairman, but Mr Sam Chisholm is taking over as chief executive.

Mr Murdoch hopes an arts channel could be financed by corporate sponsorship.

Before the launch of the four Sky channels in February 1989, Sky had been envisaged as a six-channel system. Plans for a Disney channel came to nothing after a public row between Disney and News Corp and the arts channel was also dropped.

Mr Murdoch is looking at reviving the idea in advance of the launch of the second 16-channel Astra satellite early next year, which will probably offer three additional English language channels to add to the eight available already.

THE Financial Times has threatened legal action against the London Broadcasting Company unless the radio station drops an advertising campaign on London buses with the copylines "No FT - No Problem. LBC NewsTalk."

The advertisement on 200 main London bus routes is an obvious reference to the successful FT advertising slogan: "No FT - No Comment."

Mr Peter Thornton, managing director of LBC, expressed

surprise yesterday at the FT's reaction and said: "We see it as a great opportunity for extra exposure for the FT and a tribute to their advertising campaign. We note the campaign would continue."

The threat by FT solicitors, in the paper's second "passing off" dispute this month, on Monday it failed to win an interim injunction preventing the London Evening Standard printing its new financial section on pink paper.

Mr Murdoch said yesterday: "Let BSB sue Reed - they own Variety." Reed International is a large shareholder in BSB.

● BSB, which launched its five-channel system in April, claims to be available in 500,000 homes, 80,000 with their own Squares.

The BSB target for the end of the year is more than 1m homes, of which about 400,000 will have their own receivers. Sky is available in more than 1.6m homes.

Tailors to vote over plan for merger
A SPECIAL conference of the National Union of Tailors and Garment Workers has overwhelmingly backed a proposal to amalgamate with the GMB general union. The 72,000-strong membership will be balloted on the plan.

Mr Alec Smith, the general secretary, said: "Although we are financially sound, the decision had been reached in order to ensure that clothing workers' interests would continue to be protected by a strong national trade union in the years that lie ahead."

Pay offer rejected

MEMBERS of the NUJ, the journalists' union, and the NGA print workers' union employed by Morgan Grampian, which is part of United Newspapers, have rejected a 7 per cent pay offer.

The NUJ said a ballot on industrial action short of a strike, had been authorised with possible action likely to include working to contract until a new offer was made.

FINANCIAL TIMES

NUMBER ONE SOUTHWARK BRIDGE, LONDON SE1 8HL
Telephone: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Weekend September 22/September 23
1990

Hold on to those hats

DO NOT just do something, stand there. That may not be the most exciting piece of advice for the central bankers and finance ministers of the group of seven industrial countries meeting in Washington this weekend. Yet, at least so far as monetary policy is concerned, it is almost certainly the best.

Fortunately, in Mr Alan Greenspan, the chairman of the Federal Reserve, and Mr John Major, the UK's Chancellor of the Exchequer, the G7 has at least two makers of monetary policy to whom doing little seems to come naturally. Better still, Mr Yasuhiro Mieno, Governor of the Bank of Japan, and Mr Karl Otto Pöhl, Governor of the Bundesbank, are two central bank governors who are most unlikely to yield to any call for accommodation of higher oil prices through a slacker monetary policy.

This does not mean that nothing at all needs to be done. Fiscal policy in the US does, as it has for many years, need credible action to remove the structural element in the deficit. Equally important is assistance to countries of eastern Europe and heavily indebted oil importing developing countries, both of which face higher oil prices and lower world economic growth. No less vital for the long term is successful completion of the Uruguay Round of multilateral trade negotiations.

The monetary policies now being followed guarantee the world economy a year or two of lower growth. But even that would be better than an inflationary upsurge like those experienced in the 1970s. Even the recession that might follow a war in the Gulf would be better than initial accommodation of higher inflation, followed by a still sharper recession later.

Small rise

In its latest World Economic Outlook, the IMF forecasts that - with oil prices at \$26 a barrel this year and declining to \$21 by the end of next year - the output of the industrial countries will rise by 2.6 per cent this year and 1.4 per cent next year. Both figures are markedly below performance in recent years. Higher oil prices - above all, a war in the Gulf - would mean still lower growth. At \$30 a barrel next year, for example, the IMF forecasts output growth to fall below 2 per cent. It may even be too optimistic.

Investors agree that prospects are none too good. Deflated by the consumer price index, the value of the S&P composite share index is now 19 per cent below its peak of

the summer of 1987. The FT Actuaries All-Share index is down 37 per cent, also from a peak reached in the summer of 1987. Meanwhile, the Nikkei index, so long the wonder of the financial world, has lost 40 per cent of its real value since the end of 1989.

Markets overshoot

Stock markets tend to overshoot. So do those for foreign exchange. The US dollar has now lost some 7 per cent of its value, on a trade-weighted basis, since June of this year. This decline is largely a reflection of Mr Mieno's tough monetary policy in Japan. With short-term rates of interest almost the same in Japan and the US, the dollar has to fall until US assets again look cheap to Japanese investors.

Continued benign neglect of the exchange rate is likely. It is also appropriate. As Mr Pöhl pointed out only this week - in his counterblast on economic growth and monetary union of the European Community - exchange rate stability demands convergent policies and, by implication, convergent objectives. So long as the main goal of the US administration is to avoid even a quarter of negative growth, the rest of the world must step up to the dish of macroeconomic co-ordination with a very long spoon.

When the positions in the business cycle are as different as they are today, it may be best not to step up at all.

Mr Major's sole play in the game of international co-ordination is the timing of membership of the European Monetary System. Given his political objectives, this will depend on what room entry would give him to cut interest rates. With British industrialists panicking about recession, Mr Major may conclude quite soon that EMU entry is the only way for him to cut interest rates, if not safely, at least with his disinflationary credibility intact.

Even without Saddam Hussein, the eight-year expansion of the world economy would be slowing down. Whether what follows will prove to be a mild pause or a sharp recession is as uncertain as the gods of war. For that reason alone, the principal makers of monetary policy must fiddle, while everyone hopes that the world economy does not burn.

This autumn's gatherings of engineering employers in the east Midlands have not been cheery affairs. As Mr Nigel Chubb, director of the local engineering employers' association, has made his way through Lincolnshire, Derbyshire and Nottinghamshire his members have delivered the same message.

"There has been a marked deterioration in the climate since the summer. It is the most depressed it has been for several years," he says.

There is little hope of quick relief. Mr Chubb says: "In the spring most people were holding on, hoping that by the late autumn inflation and interest rates would be heading down and growth picking up. Now very few people expect things to get better before the end of next year."

The tales of woe from the East Midlands are part of a chorus of despondency which seems to be growing louder by the day. The Confederation of British Industry this week called for an interest rate cut to save the country from recession. The great and the good in the British motor industry gathered in gloom at the opening of the Birmingham motor show. The season of annual financial reports from house builders has turned into a bloodbath.

It seems that during the summer the cliff-edge road British industry has been travelling along for the past year took a sharp turn towards the edge. The Chancellor's prediction in the budget that "the downturn may become quite sharp" seems to be coming true.

But a slowdown after a few years on a high speed gravity train is one thing; a recession is another. Is British industry really headed for a fully fledged recession? How will it compare with the recession of a decade ago?

For quite a while it seemed the decline would never become as acute as it has. The downturn has taken longer to arrive than most expected. It began life at the start of the year in a confined space. Sectors sensitive to interest rates - mainly retailing, textiles, housing and property - had been suffering for some time, as were manufacturers heavily dependent on the UK consumer market. The recession arrived at least a year ago for washing machine manufacturers.

But the damage was limited. In the first quarter much of industry was apprehensive but unaffected. Whereas Britain was led into the 1980-81 recession by a high exchange rate eating its way through sectors exposed to international competition, this downturn began at home. The relative weakness of sterling meant that exporters, such as some of the small chemical companies which ship more than 90 per cent of their output overseas, were looking forward to a more buoyant year than 1989.

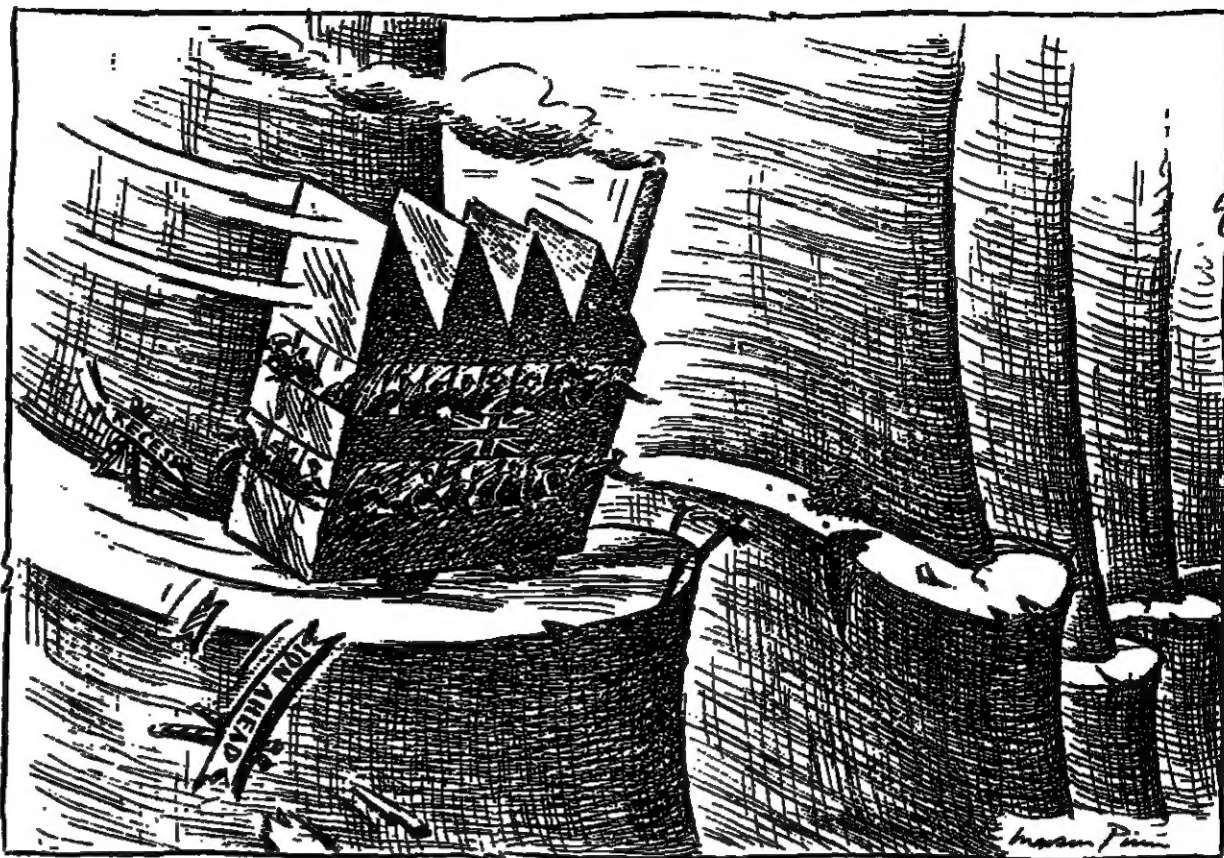
By the early summer, the downturn had extended its reach but seemingly without gathering much momentum. Some sectors such as truck makers, which had cut output by more than 20 per cent, were beginning to reel. But although car registrations, chemical demand and steel output were heading down, they were falling gradually, from historic highs. It looked as if most of industry would get away with a gentle slowdown and escape pain.

As people were resting in July and August wondering why nothing ever happens in the summer, the downturn was making its great leap forward. They have returned to work to find that it has enveloped large swathes of industry.

Those sectors that have been hurtling for some time are now hurting even more. The construction industry is a roll call of the walking wounded. Sir Clifford Chetwood, chairman and chief executive of Wimpey, which saw pre-tax profits fall by 72 per cent in the first half of the year, believes it is the worst recession in the industry he

British industry's chorus of despondency is becoming louder by the day. Charles Leadbeater on the prospects of recession

UK plc takes a turn for the worse



has ever seen.

There has been no let up for the truck manufacturers. Short-time working has become commonplace at their plants. Iveco-Ford and AWD are leading the pack with output almost 60 per cent down on last year, but the others are on hand on their heels.

The prospect of a decline in defence spending has forced retrenchment among some defence contractors. Rolls-Royce is to make 700 redundancies at Bristol, while GEC is making 550 redundancies at the mainly Scottish businesses it acquired from Ferranti.

This is another contrast with the recession of a decade ago. Then defence spending kept those parts of manufacturing serving the MoD afloat. Now, uncertainty about the medium term outlook for defence contractors - notwithstanding orders which may flow from the conflict in the Gulf - is contributing to manufacturing industry's instability.

The downturn is now seeping into other manufacturing sectors. Commercial van producers are following in the footsteps of the heavy truck makers, with a 26 per cent decline in sales in August. The 11.6 per cent fall in new car registrations in the first eight months of the year is starting to affect suppliers to the industry. Several component makers such as GRN have issued profit warnings and made some redundancies. There was talk at the motor show this week of reliable distributors going bankrupt in the next six months.

Largely as a result of the fall in new car registrations the growth of the cellular telephone market has

begun to slow. The two operators, Cellnet and Racal-Vodafone, added fewer than 16,000 new subscribers in August, compared with 22,500 in July. August is usually a bumper month for car phone sales, on the back of new car sales linked to the annual change in the car registration letter.

Some sectors have turned sour. Much of the misery is attributable to the slow-acting depressant of high interest rates. But in the past six weeks, a new threat has emerged: sterling's rapid appreciation against the Deutschmark. As a result, the squeeze is starting to work on industry from both sides. Not only could higher sterling depress the value of profits earned at overseas subsidiaries, it also threatens to stifle exports.

Until the autumn exports had been an important escape route for the likes of the UK's 140 small independent steel makers. Their production was 2 per cent up in the first six months, compared with the first half of 1989, largely because a 6 per cent decline in home deliveries had been offset by a 33 per cent increase in exports.

That safety valve now appears to be closing. Mr Nicholas Kemp, director of the Sheffield engineering employers' federation, says of the local industry:

"In the past six months home orders have tailed off. If it was not for exports life would have been much more difficult. But now exports are starting to become difficult."

The signs of faltering export demand are already showing in machine tools, an industry which was cut to the bone in the recession of the early 1980s.

The UK order book for machine tool makers in July was 18.5 per cent down on a year before, while export sales were 29 per cent up. But in the past three months the order intake from overseas clients has been halved. As if all this was not enough, a host of additional problems is flowing from Iraq's invasion of Kuwait and the subsequent rise in oil prices: higher costs for petrochemical companies and airlines are cutting further into their margins. For the rest of industry it has dashed any lingering hopes of an early fall in inflation and interest rates.

However, although the downturn has deepened and spread, the picture is not uniformly gloomy. As yet there is little sign of a tail off in big investment programmes, although orders for construction work on factories and warehouses have fallen 30 per cent in the past six months.

Smaller investments to make modest improvements in efficiency may be falling by the wayside. But companies are still spending on essential projects, according to Mr Tim Koller, chairman and chief executive of Verson International, the Midlands based capital equipment manufacturer. "Demand from the auto industry for major capital projects like big

process lines is still strong. These are permanent improvements in capacity which they have to put in to stay competitive," he says.

Steel demand also reveals a mixed picture. Although steel stockholders report a 20 per cent drop in sales of heavy sections in the construction industry, stainless steel sales are holding up well.

Some sectors are continuing to forge ahead regardless of the talk of recession.

Railway equipment makers like Hawker Siddeley are benefitting from higher public investment in British Rail and orders flowing from the Channel Tunnel.

The pharmaceutical sector is still going strong because demand is determined in large part by the level of public spending rather than consumer credit. Glaxo, the UK's largest pharmaceutical group, this week delivered healthy profits with more in prospect.

Order books in the civil aerospace industry are still strong because it serves international customers' long term investment plans.

Indeed, aerospace yields another important contrast with the last recession. Large aerospace manufacturers, in common with car makers, have fostered long term relationships with their suppliers, which they will not want to jeopardise. Approved component makers will be less exposed to competition than they were a decade ago.

Even within individual companies performance is mixed. At Imperial Chemical Industries, bulk chemicals have succumbed to gravity and the company wants to sell its loss making fertiliser division. But the divisions which produce paints and hybrid seeds for farmers are performing well.

The success of these divisions will be an important test of one sort of strategy designed to avoid the damage of the last recession. ICI has moved away from commodity products, which trade on price, towards higher valued added goods, which trade more on their sophistication and quality. It is not alone. Since the last recession many British engineering companies, such as TI and ILM have focused on securing high quality niches in international markets. In theory these strategies to build a secure customer base, loyal to a high quality product, should be a defence against the sort of price competition which ripped through industry a decade ago.

The rising importance of quality as a consideration in manufacturing means that manufacturers may have to respond to this recession quite differently. According to Mr Derek Barron, head of Ford's UK operations, the company would rather earn lower profits than lay off staff on the grounds that making people redundant would undermine its attempts to encourage loyalty and commitment to quality.

Clearly, the history of previous recessions is not about to repeat itself in exactly the same way. Some companies are better prepared than a decade ago, backed by buoyant profits in recent years, greater efficiency and effective strategies to internationalise their activities.

But many seem to be waiting, watching and hoping that 1991 will turn out to be no worse than the mid 1980s, the years between the recession and the height of the consumer boom. If the downturn lasts longer and cuts deeper, companies may find they have left it too late to take evasive action. At quite a few companies the fashionable talk of total quality and continuous improvement will be exposed as hype.

Industrialists who started the year apprehensive are approaching the end of it anxious, but not yet hysterical. As Mr Ron Cass, secretary of the National Association of Steel Stockholders, describes the mood of his members: "They are not desperate, just depressed."

MAN IN THE NEWS

Asil Nadir

Outsider beyond the City wall

By David Barchard



"We just don't know enough about him to explain this," said one on Friday.

Mr Nadir, who is 47, appears to have only himself to blame for this ignorance, having strunk steadily further from the outside world in recent years.

Inside Polly Peck, his presence is ubiquitous. He communicates incessantly with his many lieutenants in his different businesses by telephone, flies regularly to his far-flung operations in his private jet, and maintains a strong degree of personal control.

"He is in close touch with anyone in the group who is important," says one of his employees, "and he gets on well with them. People say he is feared, it isn't true."

Outside the group however Mr Nadir has had little success in communicating, especially with the press. He is - quite literally - surrounded by a wall of protective devices. A

London stockbroker who got a rare invitation to lunch was embarrassed when his pocket umbrella accidentally set off hidden anti-weapon alarms.

The only personal friends among whom Mr Nadir finds it easy to relax appear to be a relatively small group of long-standing Turkish Cypriot relatives and acquaintances with whom he speaks in the *patois* Turkish of the island.

In London and Istanbul, despite vague press reports of high living, his life-style is more than slightly reclusive. "There are months when his private jet is his main home," says a friend.

"He travels the world dreaming up new business ventures and holding talks with likely partners at every turn: the rest of his staff are often sceptical of the ideas and do their best to quash them," says a Turkish former employee of the group.

Contacts with even trusted business friends outside the

inner circle are brief. "I visit Asil every time I am in London, but the visits only last 10 or 15 minutes. You don't expect to get more of his time than that," says one Istanbul businessman.

"He does much less business socialising and visiting outside the group than people feel they have a right to expect," says one Istanbul banker. "You hear Vehbi Koc [the 87-year-old businessman who is Turkey's largest industrialist] asking people at parties who this man Asil Nadir is. In a country like Turkey that can mean you are an enemy where you should have friends."

Several things seem to lie behind this isolation. One is a genuinely workaholic life-style. Mr Nadir is at his desk throughout the week, taking off only Sunday afternoons and seldom taking holidays.

Another is a sense of not belonging to mainstream society, either in Istanbul or London. Mr Nadir came to England as a teenager. After three decades, his English is still slightly ungrammatical. During his university education in Istanbul, he flunked his final year exams on the first attempt and shares the ambivalence of all Turkish Cypriots towards mainlanders.

When a British employee once complained to him of the difficulty of working with Turks, he jokingly replied that having married one, he fully appreciated the problem.

His feeling that he would never be accepted in Britain seems to have contributed to many of his recent ventures. Behind the abortive offer to buy out the other shareholders in PFI, there seems to have lain a dream of withdrawing forever from the British capital markets and relying instead on Japan and the US, by floating the electronics business in Tokyo through Sansui and the fruit business in New York through Del Monte.

The sense that he would never be accepted in Britain may also have contributed to a second strand in Mr Nadir's recent career, a new wave of investments in northern Cyprus, implicitly aimed at enabling the Turkish Cypriot economy to catch up with the much wealthier south of the island.

The new investments are mostly in the tourist industry, and rely heavily on the political backing of the Turkish Cypriot authorities. They have been fiercely criticised by the Greek Cypriot press, though the Cyprus government vigorously rejects claims by Mr Nadir's defenders that he is the victim of a conspiracy or calculated smear campaign.

What is clear is that Mr Nadir's alienation in the face of growing press criticism, in both Britain and Turkey, added plausibility to rumours which might otherwise have seemed merely scurrilous. But if after this week's events he yet again succeeds in retrieving his own and his company's situation, it will be his most remarkable triumph so far.

The
ALLIANCE
Trust Companies
of Dundee

"Put not your trust in riches, but put your riches in Trust"
(John Gould, Chairman, Alliance Trust AGM, Dundee 1891)

THE SECOND ALLIANCE TRUST PLC
FINAL RESULTS
for the year ended 31st July 1990

| | |
|---------------------------------|---|
| EARNINGS & DIVIDEND: | Strong growth of income leads to 17.4% earnings increase. Dividend raised by 17.8%. |
| DISTRIBUTION: | Equities: UK 49%, US 29%, Europe 13%, Other 7%; Cash 2%. |
| LONG TERM PERFORMANCE: | Income: Dividend increased by 264% over 10 years (RPI + 87%). Capital: Net asset value has outperformed the FT All Share Index in 7 out of the last 10 years and shows an overall increase of 345% compared with 306% for the index. |

SAVINGS INFORMATION

| | |
|------------------------|--|
| ALLIANCE FEP: | A self select FEP with a choice of over 150 shares. No initial or annual charges and very low dealing costs. Electricity privatisation shares will be taken. |
| SAVINGS SCHEME: | Low cost method of investing lump sums or regular savings in The Alliance Trust PLC or The Second Alliance Trust PLC. |
| SHARE EXCHANGE: | Low cost facility for selling shares and switching proceeds into the Alliance FEP or Savings Scheme will be available shortly. |

Further details about the Trusts and the savings products are provided in the information pack.

To: The Secretary, Meadow House, 64 Reform Street, Dundee DD1 1TJ

I would like to find out more about the Alliance Trust Companies. Please send me an information pack.

Name _____

Address _____

Postcode _____

The Alliance FEP and Dividend and Savings Investment Scheme are managed by Alliance Trust Savings Limited (a member of FIMBA) who has obtained the necessary approval for the purposes of section 57 of the Financial Services Act 1986. Please remember that the value of an investment can go down as well as up and that you may not get back the amount you invest. These investments carry no guarantee.

JP 11/20/150

Barry Riley on the impact of the sharp retreat of prices on the London stock market

BITISH INDUSTRY'S love affair with debt this week appeared to be ending in squabbles and tears. Against the general retreat of prices on the stock market were embedded some nasty individual falls for heavily borrowed companies. On Thursday, in particular, a whiff of panic swept through the City of London.

One company affected was Cookson Group, a fundamentally solid industrial group which has nevertheless seen its share price fall by five-sixths this year as the market has become alarmed about the risks of its heavy indebtedness. But its share price rallied yesterday.

Rosehaugh, the property company shored up by a controversial rights issue early this year, was one of the usual suspects to come in for another pasting. Its share price is down something like 85 per cent this year.

Until this week share prices in London had been holding up better than had values in many other leading markets around the world. Even now, the FT-SE index has fallen back only 18 per cent from the all-time peak which it reached last January, and almost (but for 2 per cent) regained as recently as mid-July.

In contrast, the French and German markets are down by more than 25 per cent from their recent peaks, and Tokyo has collapsed by almost 40 per cent this year. Wall Street is less than 10 per cent from its peak, but that is small comfort to international investors who are showing big losses on the dollar.

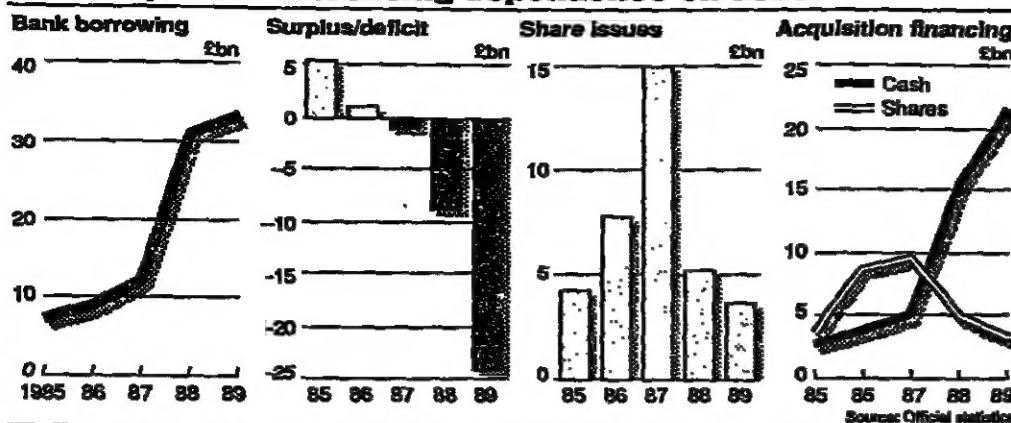
Trouble has been crowding in on the British company sector for more than a year now. There was a wave of collapses of overvalued retailers in 1988, and property and house-building have been in a bad way for some time. But this could be dismissed as a fringe problem. British industry as a whole continued to pay out handsome dividends - which rose 18 per cent for 1989 - and although many small company share prices crumbled from May 1989 onwards, big company stocks have been in general good stead. Until the past few weeks, that is.

What has gone wrong? The Gulf crisis has knocked confidence, but a combination of other factors has triggered the greater part of the slide.

Sterling, for instance, has been rising through much of 1990. The government plan to enter the exchange rate mechanism of the European Monetary System some time soon has whetted the appetites of

Slide exposes the heavy borrowers

UK companies' increasing dependence on debt



foreign exchange traders. But for exporters the strength of sterling, especially against the dollar and the yen, has spelled lost business and collapsed margins.

The buoyancy of the currency has owed much to the freakishly high level of sterling interest rates, which have been so painfully expensive for big borrowers. Repeated hopes of a cut from the crisis 15 per cent level have been dashed, most recently two weeks ago in a Bank of England warning.

Trouble has been crowding in on the British company sector for more than a year now

Finally, demand in the economy seems suddenly to have collapsed. The downturn so long expected has finally arrived. For many heavily indebted companies the weakening of the economy could come as the last straw.

It is only a year or so since the borrowing spree was still in full swing. Deregulation of bank lending was introduced by the Thatcher government a decade ago, but it took some years to have its full effect. To begin with, businessmen retained their traditional caution, and so did bankers, burned by the recession of 1981. But as a number of entrepreneurs began successfully to

expand on borrowed money, so the momentum began to build. The borrowers from banks, by and large, were not the front-line companies. The ICLs and the Shells could raise money more economically by going direct to the markets, because their credit ratings were often better than those of the banks, burdened as they were by Third World and other doubtful debt. To fill the gap, banks began to market loans aggressively to second-line companies.

For years the injection of vast amounts of credit caused prices of property and companies to rise strongly. Listed companies no longer felt it necessary to call on their shareholders for equity capital and the volume of new equity issues collapsed after the 1987 stock market crash, while borrowing continued to soar. In the takeover spree of the late 1980s the deals were less and less paid for with shares, and more and more with cash financed by the eagerly offered bank loans.

There was an unprecedented deterioration of the corporate sector's financial account - the difference between its profits and other income on the one hand, and what it pays out in interest, dividends and capital spending on the other. Historically, companies have remained more or less in balance. That was the position as recently as 1987. But in 1989 the sector plunged to a deficit of £24bn, and there appears to have been little if any improve-

ment in 1990. In good times debt is easy to handle. Buoyant profits make it simple to service the interest outgoings, and if borrowings should ever get out of hand they can readily be cut through sales of assets.

But in bad times the numbers can go seriously wrong, and more quickly than many entrepreneurs expect. Few have budgeted for borrowing at 15 per cent plus for such a protracted period. Facing a sharp cut in income as the

recession bites, they and their increasingly nervous bankers must foresee ever-increasing problems in paying the quarterly interest bills.

That might not matter in normal circumstances, because the escape route of asset sales would still be open. Interest could be rolled up pending disposals, an especially common practice among property companies. But there are no longer any eager buyers of assets, only so-called bottom fishers and vulture funds seeking to capitalise on a credit crunch. Asset prices are tumbling, leaving the big debtors often horribly exposed. The nightmare of a heavy

borrower is that he might become a forced seller at the worst possible moment. It happened in a quite dramatic way in 1974 to British Oil, which had secured heavy borrowings against its hugely valuable stake in British Petroleum. In freakish conditions the BP share price collapsed, and to avoid bankruptcy British Oil was forced to sell the stake at the beginning of 1975 - precisely at the very bottom of the stock market's slide. A few weeks later BP's share price had doubled, but it was small comfort to British Oil.

Capital market conditions can flip over with remarkable suddenness as various factors react upon each other. When the virtuous circle is operating, more and more debt leads to higher and higher asset prices and greater and greater profits. But when the credit lines are withdrawn values must collapse.

Volatile investors can aggravate the problem. Foreigners, for instance, are thought to have been withdrawing money from the UK - the Japanese because they have their own troubles at home, and the Continental Europeans because they are worried that the UK may not after all become a full EMS member.

Domestically, unit trust investors are especially likely to sell near the bottom of the market. The Unit Trust Association this week reported that unitholders had taken out \$478m in August, making it the worst ever month for net redemptions.

But the bigger institutional groups such as pension funds and life assurance companies appear to have stayed more on the sidelines. They do not, by and large, come under any short-term pressure to liquidate assets in a capital market crisis. On the other hand, they have their very own good strategic reasons for doing so: the pressure to build on the corporate sector.

Although up-to-date figures for institutional investment are not available, it looks as though they have continued to allow their already substantial liquidity to build up. In due course they will be the leading source of new equity capital for distressed companies, and they will emerge as big buyers of property from overstretched developers.

But the big institutional fund managers may be happy to let prices continue to move in their favour for a while: bottom fishers do not mind if some mud is stirred up, they might find it easier to catch some helpless prey.

Eclipse for the US 'never-never' world

Peter Riddell on America's worries about the twin dangers of inflation and recession

It has been a bad week for American economic policy-makers, and things are going to get worse.

On Monday, White House and Congressional negotiators missed yet another final deadline, the fourth in as many weeks, for reaching agreement on a tax and spending package to contain the soaring Federal budget deficit. Unless there is a quick breakthrough, across-the-board spending cuts of up to \$100bn will be imposed in 10 days' time under the Gramm-Rudman deficit reduction law, causing widespread lay-offs of federal employees and cutbacks in services.

This week has also seen daily reminders of a deteriorating economic outlook made worse by the Gulf crisis, with weak consumer demand and industrial output, a halt to the previous strong growth in exports, the lowest housing starts for eight years and rising inflation. There have been further worries about the health of the US banking system as well as a further escalation in costs from the savings and loan rescue.

To cap it all, US economic officials will spend the next few days explaining all this at the annual financial meetings in Washington. They will seek to persuade the rest of the Group of Seven industrial countries at today's meeting not to put a tough anti-inflationary stance ahead of ensuring continued growth.

No wonder Mr Alan Greenspan, the chairman of the Federal Reserve, sounded gloomy when testifying to Congress this week. When asked whether he was more worried about the dangers of recession or inflation, he replied "regrettably both". A real loss of resources occurs as a consequence of this shock, and there is no policy which can reverse that. [The shock] acts as a wedge which has increased the risk both of recession and of inflation.

The problem is that the Gulf crisis hit at a time when the economy already faced serious problems. The underlying rate of consumer price inflation had edged above 5 per cent, while

growth was, in Mr Greenspan's words, "at best sluggish". Events in the Middle East have introduced "new and substantial risks". Current oil prices are likely to add up to 2 per cent to consumer prices over the next year and reduce total output by 1 per cent.

The immediate question is whether the US is in, or about to enter, a recession. Mr Greenspan does not believe that has happened yet and the economy is still growing very slowly. The word recession is so emotionally charged that he drew a distinction between two ways of defining it. Narrowly and technically, recession is two successive quarters of falling output. What Mr Greenspan called the broader and more correct definition was that of "a process of deterioration in which events feed on each other and induce the economy

The word 'recession' is so charged that Mr Greenspan defined it twice

into a cumulative decline." That, he said, was "clearly not the state of play at this stage."

The difference is important for policy. The response to a modest contraction would not be the same as it would to a full-blown recession - especially when the chances of breaking the inflationary trend have been much reduced.

These distinctions may be too subtle for those in the north-eastern US and in the mid-Atlantic states from New Jersey down to the Carolinas where weakness is most apparent and output is declining. The administration is committed to keeping the eight-year long expansion going at all costs. It is more concerned than the Fed with sustaining growth and less with what it sees as a possibly temporary surge in inflation. President Bush has repeatedly urged the Fed to cut short-term interest rates, preferably now, and certainly quickly and significantly if there is a budget agreement.

Mr Greenspan has been more

cautious in face of the conflicting pressures of slowGDP and higher inflation. He told Congress: "Whether an efficacious policy response to current developments would seek higher, lower, or unchanged interest rates will depend on the specifics of the situation, which are shifting day to day."

In practice, the Fed is reluctant to ease monetary policy too soon, partly because any move which appeared to risk higher inflation might go wrong. It might be offset by higher long-term interest rates, which are crucial for business investment and mortgages. Consequently, while Mr Greenspan is expected by the administration to "do his duty" after any budget deal, he has been careful to lay down precise conditions. If Congress enacts a credible, long-term enforceable deficit agreement of sizeable deficit reductions, he expects long-term interest rates to decline. "In that context, I would presume that the Fed would move toward ease to accommodate those changes."

Budget negotiators are agreed on the overall goal of cutting the Federal deficit by \$200bn in the coming 1991 fiscal year as part of a five-year \$500bn package (though not on the means of doing so). Even if the \$500bn cut is real (an optimistic assumption), that would still leave the 1991 deficit at \$200bn, or more than three times the target for the year under the Gramm-Rudman law.

Unlike past years, where there have been "slide-by" deals full of illusory cuts, this time the deficit is so high - around 4 per cent of Gross Domestic Product on top of \$3 trillion (\$3,000bn) of existing borrowing - that action cannot be deferred. As Mr Greenspan has warned, the markets would react negatively to any further delay. And the Fed will hold the budget negotiators to the fire by not acting until there is a deal.

The "never-never world" of the Reagan 1980s in which growth could continue for ever and the US could continue to borrow without worrying about how come to an end.

LETTERS

The beer industry: the consumer should come first

From Mr Roger Moots MP.

Sir, Philip Rawstone's feature on the state of the beer industry ("A change of pace to restructuring," September 19) places a higher value upon the presumed need to create larger companies to compete in Europe, than upon the interests of the British consumer.

The proposed arrangement between Grand Met and Eiders appears to be little more than an elaborate attempt to sidestep the Monopolies Commission report of last year, with a further concentration in brewing, brands and in pubs. This would be to the undeniable detriment of consumers, not only in limiting

choice (both Australia and the US are examples where concentration has reduced choice), but also in price.

Approval of the Grand Met/Eiders arrangement will surely herald further transactions and accelerate the process of concentration.

For what purpose should beer drinkers and pub-goers sacrifice choice and price? To make British companies competitive by levelling a playing field called the European beer market? Mr Rawstone admits that this playing field is an intangible entity with the largest player, Heineken, having a market share below 10 per cent.

In truth there is no such

thing as a "European beer market." We are dealing with a complete lack of homogeneity in drinking tastes and venues. In the UK the majority of beer is consumed in pubs in the form of draught beer, and is 50 per cent of the market. In contrast, much of continental Europe consumes lager sold in cans and drunk in the home. It is this diversity of tastes and habits, rather than lack of scale, that gives major domestic companies such as Bass in the UK or BSN in France an insignificant share of markets outside their own.

There is no evidence that mere size in this industry creates production efficiencies that can be converted into

market share. The fact that Carlsberg has 70 per cent of the Danish market is an unconvincing argument, since the huge scale of the UK market is such that companies such as Whitbread are already bigger (and more profitable) than Carlsberg. Leading British brewing companies are of a scale to compete in Europe. Further consolidation is unnecessary.

It is to be hoped that the Secretary of State finds against the Eiders/Grand Met proposal, against pursuit of flawed economic logic, and in favour of the British consumer.

Roger Moots, House of Commons, Westminster, SW1

Fine art shopping

From Mr William Silver.

Sir, Richard Newbury's article ("A nation of museum shopkeepers," September 19) on commercial activities at *Inter alia*, the National Gallery recorded that we have no pretension to providing a fine art book shop.

At least 75 per cent of the 3.5m visitors a year to the gallery pass through the present shop, which was fitted out some eight years ago. This volume of people and the limitations of the shop fittings make it difficult to have such a pretension.

The Salisbury wing extension which is to open in spring 1991, will include 5,000 sq ft of retail space - double the size of our present shop. This will enable us to provide a properly comprehensive range of books and other products in an environment appropriate to, and worthy of, the National Gallery. We shall be able to offer a service to all our visitors.

William Silver, Managing Director, National Gallery Publications, 516 Pall Mall East, SW1

Workhouses!

From Mrs S. Preston.

Sir, No doubt the "No Turning Back Group" (Tory group) proposes replacing welfare state, "September 17" would like to establish institutions where those too poor to pay insurance premiums for health insurance, pensions and education could do the community service which the group suggests as a substitute for cash payments.

These institutions could be called "workhouses."

S. Preston, Riverside, Stockdaleworth, Cumbria

Footpath duty

From Mr N.A. Stuart.

Sir, Miss Ashbrook comments on footpath problems (Letter, September 11). The Rights of Way Act 1980 which came into force on August 13 imposes a duty on local authorities to take action against any farmer (or anyone else) who disturbs the surface of a footpath causing inconvenience to the public.

N.A. Stuart, 3 Ann's Place, Stoke, Plymouth

The case of the banned au pair

From Mr Andrew Tylecote.

Sir, A young Czechoslovak was refused admission to Britain this week on the (justified) suspicion that she intended to stay with my family as an au pair. This, the Home Office says, is permitted only to "Western Europeans" (a category which includes Turkey), since those "from further afield are more vulnerable to exploitation."

It is some time since a British Prime Minister described Czechoslovakia as a "far away country" but clearly Whitehall's knowledge of geography has not improved. Perhaps someone in the Foreign Office should lend the Home Office an atlas. From Prague it would discover that Prague is rather further west, and a good deal

nearer London, than Vienna or Stockholm, to say nothing of Ankara. The Foreign Office point on Czech living standards and education levels make them considerably less vulnerable than, say, Turks to exploitation.

Mrs Thatcher tells Mr Havel that we cannot afford to give Prague significant financial aid. Does this Government lack not only resources, or generosity, but also the wit to see that by allowing Czechoslovaks to come to this country to study English as au pairs they can help Czechoslovakia, and Britain's future trade, at no cost to the UK whatever?

Andrew Tylecote, School of Management and Economic Studies, University of Sheffield

Substantial profits for the mostly silent majority at Lloyd's

From Mr Robin Warrender.

Sir, I wonder how many people who have applied to join Lloyd's for next year were scared off by Mr Tom Benyon's remarks (Letters, September 1), about the evils of the open end of a week which also saw the publication of the inspectors' report on the PCW scandal.

Financial skulduggery is sometimes excused on the grounds that it is a victimless crime, but it is the market itself which usually becomes the victim. Nowhere has this been more true than at Lloyd's. Mr Benyon and other commentators fail to point out the scandals of the late 1970s, as

well as the facility for leaving underwriting years open, are problems of the past which affect the existing membership more than new recruits.

A new name comes into an organisation protected by an elaborate regulatory structure designed to prevent frauds of that scale ever occurring again. Severe penalties are now imposed on syndicates seeking to leave years open or failing to close prior years. In addition, a working party has been set up to recommend proposals for a reinsurance vehicle to assume these liabilities for the market as a whole.

A new name joining a syndicate with an open year enjoys the goodwill of the syndicate's

book of business, while effectively being insulated from losses which might emerge from earlier years. This is an over-simplification of a complex situation of very real concern, but Mr Benyon might do a better service to his fellow names, if he emphasised the "substantial profits every year since 1978" which he and his wife have enjoyed, and did not discourage others from becoming part of the largely silent majority of the Lloyd's membership in a similar privileged position.

Robin Warrender, Chairman, London Wall Holdings, Plantation House, 31-35 Fenchurch Street, EC3

From Mr Philip Trust.

Sir, Mr Benyon says (Letters, August 18): "The market desperately needs new names or existing ones to increase underwriting." This is not correct.

This agency has now declined to take new names for the last three years because of lack of capacity (spaces on syndicates). Likewise, we have a much greater demand from existing names to increase their premium limits than we have a supply of capacity from the market.

Philip A. Trust, Fenchurch Underwriting Agencies, 136 Minories, EC3

ADVERTISEMENT

BUILDING SOCIETY INVESTMENT TERMS

| Product | Applied rate | Net interest | Minimum investment | Access and other details |
|--|--------------|--------------|--------------------|---------------------------------|
| Allyson and Lister | 12.75 | 12.75 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Capital Choice | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Gold Plus | 7.00 | 7.12 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| ReadyMoney Plus | 9.00 | 9.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Easy Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Wides | 12.25 | 12.25 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Money Day | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |
| Smart Plus | 11.00 | 11.00 | 10,000 | 10.45/10.25/9.95/9.65 inc. acc. |

INTERNATIONAL COMPANIES AND FINANCE

Hongkong Bank defends plan to expand beyond Asia

By Angus Foster in Hong Kong

MR JOHN GRAY, deputy chairman of the Hongkong and Shanghai Banking Corporation, yesterday defended the bank's management of its overseas businesses and its decision to expand outside Asia.

He said losses among overseas subsidiaries were due to market conditions rather than a style of management. He said the bank had been forced to invest outside the region to bring stability to its earnings.

Mr Gray made the remarks during a speech to investment analysts. The comments were seen as an official response to criticism of Hongkong Bank since it announced last month a 20.7 per cent fall in half-year profits, the first such decline for 23 years.

The bank has since been criticised for publishing the fall in profits. There have also been questions about its international expansion, including its relationship with Midland Bank, the UK clearer, in which it holds a 14.9 per cent stake and with which it is discussing a closer relationship.

Under Hong Kong's banking laws, banks are allowed to keep inner, or "secret", reserves. By transferring profits



John Gray: bank moving toward greater disclosure

its reserves in good years, and withdrawing from reserves in bad years, banks can smooth out their published profit growth.

However Mr Gray said the bank decided not to "manipulate" published profit. "The published profit was therefore a good reflection of the trend in real profit," he said.

The decision was part of the bank's move towards greater disclosure of information. The size of Hongkong Bank's secret

reserves, a source of much speculation in the colony, is estimated at anywhere between HK\$100bn (US\$12.8bn) and HK\$300bn.

Hongkong Bank's overseas expansion has been criticised following losses at Marine Midland, the bank's US subsidiary, and James Capel, the stockbroker. So far this year Hongkong Bank has made provisions of US\$300m to cover doubtful real estate loans at the loss-making Marine Midland, while Hongkong Bank of Australia is not expected to return to profitability this year.

Mr Gray said, however, that the losses should be seen against a downturn in the banking industries of established economies. He said cuts were being made in the US and Australian businesses.

Hongkong Bank's preference in avoiding interference with the management of subsidiaries has worked well with Hang Seng Bank in Hong Kong and Hongkong Bank of Canada, he said. He doubted whether more control from Hong Kong could have avoided Marine Midland's real estate problems.

Michelin shows loss of FF363m at halfway

By George Graham in Paris

MICHELIN, the troubled French tyre maker, yesterday revealed the extent of the problems it faces by reporting net losses of FF363m (\$68.45m) in the first half of the year.

Operating income fell by 39 per cent to FF1.61m, while the heavily-indebted company's net financing costs more than doubled to FF1.07m.

A FF363m provision to cover the costs of a job cutting programme now being prepared, plunged the group into the red.

The results do not include Uniroyal-Goodrich, which Michelin bought for \$1.5bn in May, becoming in the process the world's leading tyre maker with an estimated 21.5 per cent share of the market.

The company said the inclusion of the US tyre operation would not significantly have changed the group's results or cashflow.

The cost of the acquisition, on the other hand, added substantially to Michelin's already heavy debt burden, and some analysts fear a sharp increase in financing costs in the second half because of the recent rise in interest rates.

As recently as February, Michelin had still hoped to match last year's FF2.45bn, but by June, Mr François Michelin, group chairman, admitted that he could not rule out the possibility of a loss.

The company said it was freezing the investments and slowing production in order to avoid an increase in its stocks.

This led to an increase in production costs which, it said yesterday, it had been unable to pass on to customers because of the fierceness of competition in the tyre market, which has been hit by over-capacity and pressure margins from the weakness of car sales.

The cost of Michelin's efforts to limit production, stocks, and general expenses will add to the effect of negative market conditions in the second half, the company said.

These measures will weigh very heavily on the results of the year 1990, but they are indispensable to allow a return to profitability expected in 1991, Michelin said.

Compagnie Financière Michelin, the Swiss holding company which groups Michelin's 200 French units, reported a net first-half profit of FF13m (\$2.5m), down heavily from FF330m in the first half of 1989, with sales flat at FF5.7bn.

Swedish telecoms to be privatised

By Robert Taylor in Stockholm

SWEDEN'S state controlled telecommunications company - Televerket - will be opened up to private ownership via a stock market flotation some time in 1992.

Mr Tony Hagström, the director general, said yesterday the sale of up to 45 per cent of Televerket could yield the Government as much as SKr40bn (\$5.5bn). He said the whole group was valued at between SKr40-45bn.

Televerket hopes to have a detailed proposal ready by December. The company needs to secure the backing of both the Swedish Government and parliament before it can go ahead with the privatisation. Mr Hagström said a government decision could be expected by next spring.

Mr Hagström said that under present proposals the state would retain 55 per cent of Televerket, with the rest being sold to the public pension funds, private insurance companies and other investors.

Mr Hagström also wants to see Televerket become international in the 1990s

through the acquisition of shares in foreign telecommunications companies.

In an open letter to the company's 47,600 employees, the director general said that telecommunications was one of the most strategic and dynamic areas of European industrial growth, shaped by the emerging internal market of the European Community.

"The old national monopolies and national boundaries are disappearing," he said. "Televerket must uphold its position in a European market instead of just a Swedish one."

"We must follow our customers out into Europe and the world," said Mr Hagström. Recognising the handicap of being smaller than competitors in Germany, France and Britain, he added that Televerket must "compensate" for this by being "more flexible through building up strategic alliances and consortia with overseas companies" similar to the way in which Scandinavian Airlines (SAS) has established a broad global power base over

recent years. The company also announced that profits increased by 30 per cent to around SKr2bn in the first half of 1990, while turnover rose 15 per cent to SKr13.3bn. Last year Televerket made a profit of SKr3.6bn on a turnover of SKr27bn.

Sweden's former non-Socialist prime minister Mr Thorbjörn Fälldin, who is a member of the Televerket board, said he did not believe partial privatisation would lead to higher charges for the customer or a worse service for those living in thinly populated areas.

Responding to the news of the privatisation, Mr Georg Andersson, the communications minister, said there would have to be "new and very strong reasons" why the Government should agree to a change of policy.

Mr Hagström said the arrival of Televerket on the stock market would be a powerful signal to the outside world that the company was now a service company.

Electrolux to sell services arm

By Robert Taylor

ELECTROLUX, the world's leading white goods manufacturer, is to sell its commercial services division, which last year had sales of SKr3.3bn (\$474m), almost 5 per cent of the group turnover.

Mr Anders Scharp, chief executive, said the disposal would help Electrolux concentrate on its core household appliances business and improve the group financial position in the face of declining profits.

Last month Electrolux announced a 49 per cent drop in profits for the first half of

the year, to SKr1.01bn, and said it intended to cut its workforce by 10 per cent over two years.

"We want to strengthen our balance sheet," Mr Scharp added. "The sale of our commercial services business will also provide us with the extra resources if we decide to pursue new growth possibilities in our core area."

Electrolux's commercial services cover a diverse product range through its subsidiary, ASAB. It is involved in office cleaning products and the disposal of hazardous waste from heavy industry, as well as catering and maintenance. Around half its sales are now generated outside Sweden.

Commercial services also include laundering and goods protection with the rental of tarpaulins, storage halls and party tents.

Mr Scharp said last night that the commercial services business, which employs around 30,000 people, including 15,000 outside Sweden, was "well managed" and "very profitable" part of the Electrolux group. It expected profits to advance 15 per cent this year.

Ciments Français ahead 7%

By George Graham

CIMENTIS Français, the second largest French cement group, has announced a 7 per cent increase in first-half net earnings to FF400m (\$70m), with sales rising in North America and higher financing costs offsetting otherwise strong sales.

Operating income climbed 27 per cent to FF71.18m on sales 30 per cent higher at FF73.3m. These figures, however, included much higher minority earnings, as a result of the acquisition of 70 per cent of Financiera y Minera in Spain.

Mr Pierre Conso, group chairman, said he hoped at least to match 1989's full-year net result of FF71.02m.

The general climate, with the exception of North America, is excellent," he said yesterday.

The collapse of world stock markets in the past few weeks has complicated the task of refinancing, after a series of significant acquisitions in Spain, Greece, Turkey and Belgium, but Mr Conso said the group still had a range of options available.

Ciments Français is expected to split off Compagnie des Ciments Belges (CCB), the leading Belgian cement maker it recently acquired for an undisclosed sum, into a holding company based in the Netherlands, with outside financial shareholders taking a significant minority stake.

CCB, whose annual capacity Mr Conso says can readily be doubled to 2.5m to 3m tonnes, is to become the group's main works for Belgium and northern France, replacing two obsolete plants which are to be taken out of service.

Laus raise Chinese Estates stake

By Angus Foster

HONG Kong's controversial Laus brothers have tightened their grip on Chinese Estates in the face of a hostile HK\$5.52bn (US\$1.11bn) takeover bid from the businessman Mr Hwang Chou-shuan.

Mr Joseph Lau and his brother Thomas now control 52 per cent of Chinese Estates through their main holding company Evergo International. That means Evergo has bought about 4 per cent of Chinese Estates in the open market to take its holding past 50 per cent.

Unless the Laus decide to sell, Mr Hwang's controversial bid looks certain to fail, even if he risks buying and converting

all outstanding Chinese Estates warrants.

The Laus said they had topped up their stake as four of their companies reported record profits in the six months to the end of June, compared with HK\$34m last time.

Chinese Estates, owner of the group's main property assets, said shareholders' profits jumped nearly threefold to HK\$14.4m against HK\$5.2m

in the previous period. Construction company Paul Y reported a HK\$172.1m profit compared with a HK\$192.5m loss last time.

Mr Joseph Lau, chairman of Evergo and owner of 49 per cent of the company, said he would make a formal response to the offer next week. So far, Mr Lau and his brother have shown no interest in selling their companies.

Nevertheless, Mr Hwang has made his first move since launching the bid last month. He has bought 3m Evergo shares - equal to less than 1 per cent of the company - in the open market to take his stake to over 5 per cent.

Chinese Estates, owner of the group's main property assets, said shareholders' profits jumped nearly threefold to HK\$14.4m against HK\$5.2m

Sale of investments lifts BHP by 59%

By Kenneth Gooding, Mining Correspondent

ABNORMAL PROFITS from the sale of investments - including a substantial stake in Woodside Petroleum - lifted quarterly attributable profits of Broken Hill Proprietary, Australia's largest industrial group, by more than 59 per cent, from A\$272.6m to a record A\$435.1m (US\$363m).

Earnings per share in the quarter to August 31 of 29.1 cents, compared with 18.9 cents, would have been 21.4

cents but for the abnormal profit of A\$156.3m, including A\$114m on the sale of the Woodside shares.

Sales and other revenue rose by 25 per cent in the quarter, to A\$4.3bn, from A\$3.4bn, principally as a result of the A\$25m received from the sale of Woodside. Other factors were improved prices and volumes for petroleum and for some minerals, particularly iron ore.

In BHP's various segments, there was a jump from A\$28.2m to A\$231.9m in the operating profit of the petroleum business; operating profit of the minerals segment was virtually unchanged at A\$151.2m against A\$151.5m; while steel contributed A\$114.8m, down from A\$146.8m.

The half-yearly dividend payment is to be lifted by 11.4 per cent to 19.5 cents a share from 17.5 cents.

WORLD COMMODITIES PRICES

| WEEKLY PRICE CHANGES | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|------------------------|---------------|----------------|----------|-----------|----------|
| Gold per troy oz. | \$399.25 | +4.00 | \$365.25 | \$420.25 | \$345.75 |
| Silver per troy oz. | \$290.75 | +5.55 | \$330.15 | \$353.50 | \$252.50 |
| Aluminium 99.7% (cash) | \$2227.5 | +32.5 | \$1734.5 | \$2227.5 | \$1350.0 |
| Copper Grade A (cash) | \$1777.5 | +77.5 | \$1677.5 | \$1777.5 | \$1344.5 |
| Lead (cash) | \$542 | +13.25 | \$485.5 | \$730 | \$415 |
| Nickel (cash) | \$3925 | +60 | \$10925 | \$11375 | \$6075 |
| Zinc SHD (cash) | \$1482.5 | +10 | \$1382.5 | \$1482.5 | \$1125 |
| Tin (cash) | \$5515 | +75 | \$5360.5 | \$7020 | \$3755 |
| Cocoa Futures (Dec) | \$745 | -7 | \$730 | \$957 | \$322 |
| Coffee Futures (Nov) | \$1910 | -20 | \$1774 | \$275 | \$1545 |
| Sugar (LDP Raw) | \$2395.0 | +2.5 | \$2395.0 | \$2395.0 | \$2395.0 |
| Barley Futures (Nov) | \$113.85 | +0.75 | \$103.45 | \$118.45 | \$103.45 |
| Wheat Futures (Nov) | \$112.00 | +1.15 | \$107.15 | \$123.45 | \$111.00 |
| Cotton Outlook Index | 92.25 | -0.25 | 92.25 | 92.25 | 92.25 |
| Wool (54s Super) | 435 | +3 | 800 | \$605 | 435 |
| Oil (Brent Blend) | \$34.625 | +3.875 | \$17.520 | \$34.625 | \$15.575 |

London Markets

| SPOT MARKETS | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|------------------------|---------------|----------------|----------|-----------|----------|
| Gold (per troy oz.) | \$399.25 | +4.00 | \$365.25 | \$420.25 | \$345.75 |
| Silver (per troy oz.) | \$290.75 | +5.55 | \$330.15 | \$353.50 | \$252.50 |
| Aluminium 99.7% (cash) | \$2227.5 | +32.5 | \$1734.5 | \$2227.5 | \$1350.0 |
| Copper Grade A (cash) | \$1777.5 | +77.5 | \$1677.5 | \$1777.5 | \$1344.5 |
| Lead (cash) | \$542 | +13.25 | \$485.5 | \$730 | \$415 |
| Nickel (cash) | \$3925 | +60 | \$10925 | \$11375 | \$6075 |
| Zinc SHD (cash) | \$1482.5 | +10 | \$1382.5 | \$1482.5 | \$1125 |
| Tin (cash) | \$5515 | +75 | \$5360.5 | \$7020 | \$3755 |
| Cocoa Futures (Dec) | \$745 | -7 | \$730 | \$957 | \$322 |
| Coffee Futures (Nov) | \$1910 | -20 | \$1774 | \$275 | \$1545 |
| Sugar (LDP Raw) | \$2395.0 | +2.5 | \$2395.0 | \$2395.0 | \$2395.0 |
| Barley Futures (Nov) | \$113.85 | +0.75 | \$103.45 | \$118.45 | \$103.45 |
| Wheat Futures (Nov) | \$112.00 | +1.15 | \$107.15 | \$123.45 | \$111.00 |
| Cotton Outlook Index | 92.25 | -0.25 | 92.25 | 92.25 | 92.25 |
| Wool (54s Super) | 435 | +3 | 800 | \$605 | 435 |
| Oil (Brent Blend) | \$34.625 | +3.875 | \$17.520 | \$34.625 | \$15.575 |

| SUGAR - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| COCAINE - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| COCAINE - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| COCAINE - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| COCAINE - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| COCAINE - London POZ (\$ per tonne) | Latest prices | Change on week | Year ago | High 1990 | Low 1990 |
|---|---------------|----------------|----------|-----------|----------|
| Raw | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| White | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Yellow | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Black | \$24.00 | -0.25 | \$24.00 | \$24.00 | \$24.00 |
| Turnover: 1989 (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| White (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Yellow (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |
| Black (1989) (1989) lots of 10 tonnes | 1989 | | 1989 | | 1989 |

| SPOT MARKETS | | | |
|--------------------------------------|---------------|--|--------|
| Credit off (per barrel FOB) | | | + or - |
| Dubai | \$30.70-3.70p | | +1.88 |
| Brent Blend (dated) | \$37.10-7.30 | | +1.88 |
| West Blend (November) | \$34.60-4.60 | | +1.60 |
| W.T.I. (1 pm est) | \$34.95-5.00p | | +1.85 |
| Oil products | | | |
| (NWTS prompt delivery per tonne CIF) | | | + or - |
| Premium Gasoline | \$423-425 | | +5 |
| Gas Oil | \$314-215 | | +19.5 |
| Heavy Fuel Oil | \$135-130 | | |
| | \$350-352 | | +15 |
| Precious Metal Argum Estimates | | | |

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Sharp decline hits sterling

STERLING fell sharply yesterday on continuing concern over the timing of its entry into the European exchange rate mechanism and forced concerted intervention by three central banks.

The trigger for the decline was a newspaper report which suggested that Mrs Margaret Thatcher, the UK Prime Minister, doubted whether the sterling would be able to join the ERM before the year end.

Following the decline in heavy selling eventually closing 2.35 cents lower against the dollar and 1.845 pence against the mark.

The Bank of England, the Federal Reserve and the Bundesbank all stepped into the market to buy sterling and this helped the pound close above its worst level.

Further support was provided by Mr John Major, the Chancellor, who said that both he and the Prime Minister "had made it clear that it is our policy to enter the ERM at the earliest sensible date."

Many analysts were surprised at the size of sterling's fall and believed UK high interest rates would prevent it from falling much further. "Going short of sterling at these levels is still very expensive," said Mr John O'Sullivan of Barclays Bank.

However, Mr David Simmonds, currency analyst at Midland Montagu, said there was also a growing concern that the threat of a recession may persuade the government to let sterling enter the ERM at a lower central level.

Until recently it was assumed that sterling would join the ERM at a central rate of DM3.00. But, there was now a possibility that it would enter at a central rate of DM2.90.

Sterling finished weaker at Y252.50 from Y255.50; at SF2.4375 from SF2.4675; and at FF9.7450 from FF9.8925. The Bank of England's sterling index closed 1.1 points lower at

92.6. The US dollar showed little movement and was trapped in a narrow range as attention focused on sterling. The dollar closed slightly lower as some of the strength based on speculation over tighter US monetary policy began to wane.

The dollar closed lower at DM1.5775 from DM1.5805; at Y136.90 from Y138.20; and at FF5.2800 from FF5.2875. But it was lower at SF1.3215 from SF1.3200. The dollar's index closed unchanged at 62.9.

The Italian lire was easier but above the lows struck during the middle of the week when it moved to the bottom of the European Monetary System grid.

FINANCIAL FUTURES AND OPTIONS

| LEFT US DOLLAR FUTURES OPTIONS | | | |
|--------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 92.00 | 0.05 | 0.05 | 0.05 |
| 92.10 | 0.05 | 0.05 | 0.05 |
| 92.20 | 0.05 | 0.05 | 0.05 |
| 92.30 | 0.05 | 0.05 | 0.05 |
| 92.40 | 0.05 | 0.05 | 0.05 |
| 92.50 | 0.05 | 0.05 | 0.05 |
| 92.60 | 0.05 | 0.05 | 0.05 |
| 92.70 | 0.05 | 0.05 | 0.05 |
| 92.80 | 0.05 | 0.05 | 0.05 |
| 92.90 | 0.05 | 0.05 | 0.05 |
| 93.00 | 0.05 | 0.05 | 0.05 |

| LEFT US TREASURY FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 136.00 | 0.05 | 0.05 | 0.05 |
| 136.10 | 0.05 | 0.05 | 0.05 |
| 136.20 | 0.05 | 0.05 | 0.05 |
| 136.30 | 0.05 | 0.05 | 0.05 |
| 136.40 | 0.05 | 0.05 | 0.05 |
| 136.50 | 0.05 | 0.05 | 0.05 |
| 136.60 | 0.05 | 0.05 | 0.05 |
| 136.70 | 0.05 | 0.05 | 0.05 |
| 136.80 | 0.05 | 0.05 | 0.05 |
| 136.90 | 0.05 | 0.05 | 0.05 |
| 137.00 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.5700 | 0.05 | 0.05 | 0.05 |
| 1.5710 | 0.05 | 0.05 | 0.05 |
| 1.5720 | 0.05 | 0.05 | 0.05 |
| 1.5730 | 0.05 | 0.05 | 0.05 |
| 1.5740 | 0.05 | 0.05 | 0.05 |
| 1.5750 | 0.05 | 0.05 | 0.05 |
| 1.5760 | 0.05 | 0.05 | 0.05 |
| 1.5770 | 0.05 | 0.05 | 0.05 |
| 1.5780 | 0.05 | 0.05 | 0.05 |
| 1.5790 | 0.05 | 0.05 | 0.05 |
| 1.5800 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.5810 | 0.05 | 0.05 | 0.05 |
| 1.5820 | 0.05 | 0.05 | 0.05 |
| 1.5830 | 0.05 | 0.05 | 0.05 |
| 1.5840 | 0.05 | 0.05 | 0.05 |
| 1.5850 | 0.05 | 0.05 | 0.05 |
| 1.5860 | 0.05 | 0.05 | 0.05 |
| 1.5870 | 0.05 | 0.05 | 0.05 |
| 1.5880 | 0.05 | 0.05 | 0.05 |
| 1.5890 | 0.05 | 0.05 | 0.05 |
| 1.5900 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.5910 | 0.05 | 0.05 | 0.05 |
| 1.5920 | 0.05 | 0.05 | 0.05 |
| 1.5930 | 0.05 | 0.05 | 0.05 |
| 1.5940 | 0.05 | 0.05 | 0.05 |
| 1.5950 | 0.05 | 0.05 | 0.05 |
| 1.5960 | 0.05 | 0.05 | 0.05 |
| 1.5970 | 0.05 | 0.05 | 0.05 |
| 1.5980 | 0.05 | 0.05 | 0.05 |
| 1.5990 | 0.05 | 0.05 | 0.05 |
| 1.6000 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6010 | 0.05 | 0.05 | 0.05 |
| 1.6020 | 0.05 | 0.05 | 0.05 |
| 1.6030 | 0.05 | 0.05 | 0.05 |
| 1.6040 | 0.05 | 0.05 | 0.05 |
| 1.6050 | 0.05 | 0.05 | 0.05 |
| 1.6060 | 0.05 | 0.05 | 0.05 |
| 1.6070 | 0.05 | 0.05 | 0.05 |
| 1.6080 | 0.05 | 0.05 | 0.05 |
| 1.6090 | 0.05 | 0.05 | 0.05 |
| 1.6100 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6110 | 0.05 | 0.05 | 0.05 |
| 1.6120 | 0.05 | 0.05 | 0.05 |
| 1.6130 | 0.05 | 0.05 | 0.05 |
| 1.6140 | 0.05 | 0.05 | 0.05 |
| 1.6150 | 0.05 | 0.05 | 0.05 |
| 1.6160 | 0.05 | 0.05 | 0.05 |
| 1.6170 | 0.05 | 0.05 | 0.05 |
| 1.6180 | 0.05 | 0.05 | 0.05 |
| 1.6190 | 0.05 | 0.05 | 0.05 |
| 1.6200 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6210 | 0.05 | 0.05 | 0.05 |
| 1.6220 | 0.05 | 0.05 | 0.05 |
| 1.6230 | 0.05 | 0.05 | 0.05 |
| 1.6240 | 0.05 | 0.05 | 0.05 |
| 1.6250 | 0.05 | 0.05 | 0.05 |
| 1.6260 | 0.05 | 0.05 | 0.05 |
| 1.6270 | 0.05 | 0.05 | 0.05 |
| 1.6280 | 0.05 | 0.05 | 0.05 |
| 1.6290 | 0.05 | 0.05 | 0.05 |
| 1.6300 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6310 | 0.05 | 0.05 | 0.05 |
| 1.6320 | 0.05 | 0.05 | 0.05 |
| 1.6330 | 0.05 | 0.05 | 0.05 |
| 1.6340 | 0.05 | 0.05 | 0.05 |
| 1.6350 | 0.05 | 0.05 | 0.05 |
| 1.6360 | 0.05 | 0.05 | 0.05 |
| 1.6370 | 0.05 | 0.05 | 0.05 |
| 1.6380 | 0.05 | 0.05 | 0.05 |
| 1.6390 | 0.05 | 0.05 | 0.05 |
| 1.6400 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6410 | 0.05 | 0.05 | 0.05 |
| 1.6420 | 0.05 | 0.05 | 0.05 |
| 1.6430 | 0.05 | 0.05 | 0.05 |
| 1.6440 | 0.05 | 0.05 | 0.05 |
| 1.6450 | 0.05 | 0.05 | 0.05 |
| 1.6460 | 0.05 | 0.05 | 0.05 |
| 1.6470 | 0.05 | 0.05 | 0.05 |
| 1.6480 | 0.05 | 0.05 | 0.05 |
| 1.6490 | 0.05 | 0.05 | 0.05 |
| 1.6500 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6510 | 0.05 | 0.05 | 0.05 |
| 1.6520 | 0.05 | 0.05 | 0.05 |
| 1.6530 | 0.05 | 0.05 | 0.05 |
| 1.6540 | 0.05 | 0.05 | 0.05 |
| 1.6550 | 0.05 | 0.05 | 0.05 |
| 1.6560 | 0.05 | 0.05 | 0.05 |
| 1.6570 | 0.05 | 0.05 | 0.05 |
| 1.6580 | 0.05 | 0.05 | 0.05 |
| 1.6590 | 0.05 | 0.05 | 0.05 |
| 1.6600 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6610 | 0.05 | 0.05 | 0.05 |
| 1.6620 | 0.05 | 0.05 | 0.05 |
| 1.6630 | 0.05 | 0.05 | 0.05 |
| 1.6640 | 0.05 | 0.05 | 0.05 |
| 1.6650 | 0.05 | 0.05 | 0.05 |
| 1.6660 | 0.05 | 0.05 | 0.05 |
| 1.6670 | 0.05 | 0.05 | 0.05 |
| 1.6680 | 0.05 | 0.05 | 0.05 |
| 1.6690 | 0.05 | 0.05 | 0.05 |
| 1.6700 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6710 | 0.05 | 0.05 | 0.05 |
| 1.6720 | 0.05 | 0.05 | 0.05 |
| 1.6730 | 0.05 | 0.05 | 0.05 |
| 1.6740 | 0.05 | 0.05 | 0.05 |
| 1.6750 | 0.05 | 0.05 | 0.05 |
| 1.6760 | 0.05 | 0.05 | 0.05 |
| 1.6770 | 0.05 | 0.05 | 0.05 |
| 1.6780 | 0.05 | 0.05 | 0.05 |
| 1.6790 | 0.05 | 0.05 | 0.05 |
| 1.6800 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6810 | 0.05 | 0.05 | 0.05 |
| 1.6820 | 0.05 | 0.05 | 0.05 |
| 1.6830 | 0.05 | 0.05 | 0.05 |
| 1.6840 | 0.05 | 0.05 | 0.05 |
| 1.6850 | 0.05 | 0.05 | 0.05 |
| 1.6860 | 0.05 | 0.05 | 0.05 |
| 1.6870 | 0.05 | 0.05 | 0.05 |
| 1.6880 | 0.05 | 0.05 | 0.05 |
| 1.6890 | 0.05 | 0.05 | 0.05 |
| 1.6900 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.6910 | 0.05 | 0.05 | 0.05 |
| 1.6920 | 0.05 | 0.05 | 0.05 |
| 1.6930 | 0.05 | 0.05 | 0.05 |
| 1.6940 | 0.05 | 0.05 | 0.05 |
| 1.6950 | 0.05 | 0.05 | 0.05 |
| 1.6960 | 0.05 | 0.05 | 0.05 |
| 1.6970 | 0.05 | 0.05 | 0.05 |
| 1.6980 | 0.05 | 0.05 | 0.05 |
| 1.6990 | 0.05 | 0.05 | 0.05 |
| 1.7000 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.7010 | 0.05 | 0.05 | 0.05 |
| 1.7020 | 0.05 | 0.05 | 0.05 |
| 1.7030 | 0.05 | 0.05 | 0.05 |
| 1.7040 | 0.05 | 0.05 | 0.05 |
| 1.7050 | 0.05 | 0.05 | 0.05 |
| 1.7060 | 0.05 | 0.05 | 0.05 |
| 1.7070 | 0.05 | 0.05 | 0.05 |
| 1.7080 | 0.05 | 0.05 | 0.05 |
| 1.7090 | 0.05 | 0.05 | 0.05 |
| 1.7100 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.7110 | 0.05 | 0.05 | 0.05 |
| 1.7120 | 0.05 | 0.05 | 0.05 |
| 1.7130 | 0.05 | 0.05 | 0.05 |
| 1.7140 | 0.05 | 0.05 | 0.05 |
| 1.7150 | 0.05 | 0.05 | 0.05 |
| 1.7160 | 0.05 | 0.05 | 0.05 |
| 1.7170 | 0.05 | 0.05 | 0.05 |
| 1.7180 | 0.05 | 0.05 | 0.05 |
| 1.7190 | 0.05 | 0.05 | 0.05 |
| 1.7200 | 0.05 | 0.05 | 0.05 |

| LEFT EURO DOLLAR FUTURES OPTIONS | | | |
|----------------------------------|------|------|--------|
| Strike | Call | Put | Settle |
| 1.7210 | 0.05 | 0.05 | 0.05 |
| 1.7220 | 0.05 | 0.05 | 0.05 |
| 1.7230 | 0.05 | 0.05 | 0.05 |
| 1.7240 | 0.05 | 0.05 | 0.05 |
| 1.7250 | 0.05 | 0.05 | 0.05 |
| 1.7260 | 0.05 | 0.05 | 0.05 |
| 1.7270 | 0.05 | 0.05 | 0.05 |
| 1.7280 | 0.05 | 0.05 | 0.05 |
| 1.7290 | 0.05 | 0.05 | 0.05 |
| 1.7300 | 0.05 | 0.05 | 0.05 |

MONEY MARKET FUNDS

| MONEY MARKET FUNDS | | | |
|--------------------------------|-----------|-------------|------------|
| Fund | Assets | Liabilities | Net Assets |
| CAF Money Management Co Ltd | 1,000,000 | 1,000,000 | 0 |
| The CDF Capital Management Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |
| Co-operative Bank Ltd | 1,000,000 | 1,000,000 | 0 |

| LIFE SINKY STEALING SPYING | | | |
|----------------------------|------------------|-----------------|-----------|
| £300,000 profits of 100% | | | |
| Style | Cash-settlements | Pub-settlements | Est. 100% |
| Price | Due | Due | Due |
| 0475 | 1.00 | 1.92 | 0.04 |
| 0500 | 0.79 | 1.69 | 0.08 |
| 0525 | 0.59 | 1.47 | 0.13 |
| 0550 | 0.45 | 1.26 | 0.24 |
| 0600 | 0.31 | 1.07 | 0.35 |
| 0625 | 0.22 | 0.89 | 0.53 |
| 0650 | 0.15 | 0.69 | 0.79 |
| 0650 | 0.11 | 0.60 | 0.90 |

| Carlyme Money Management | |
|--------------------------------|---------|
| 2-3 White Hart Way, London SE1 | |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11 |
| 7 Bell Yard | 10.11</ |

LONDON STOCK EXCHANGE Dealings

Details of business done above have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Talemans system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

Rule 55(2) and Third Market stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

£ Bargains at special prices. £ Bargains done the previous day.

British Funds, etc
No. of bargains included 1683

Guaranteed Export Finance Corp PLC 12.5% Deb 2000 - 201% (1989/90)

2% (1989/90)

Corporate and County Stocks No. of bargains included 4

Greater London Council 5% Deb 2000 - 201% (1989/90)

Birmingham Corp 5% Deb 1994 (after)

Birmingham City Council 11% Deb 2012 - 201% (1989/90)

Leeds City Council 11% Deb 2000 - 201% (1989/90)

Liverpool City Council 11% Deb 2000 - 201% (1989/90)

Nottingham City Council 11% Deb 2000 - 201% (1989/90)

Sheffield City Council 11% Deb 2000 - 201% (1989/90)

South Yorkshire Council 11% Deb 2000 - 201% (1989/90)

West Yorkshire Council 11% Deb 2000 - 201% (1989/90)

York City Council 11% Deb 2000 - 201% (1989/90)

UK Public Bonds
No. of bargains included 4

Agricultural Mortgage Corp PLC 14% Deb 2000 - 201% (1989/90)

10% Deb 2000 - 201% (1989/90)

10% Deb 2000 - 201% (1989/90)

10% Deb 2000 - 201% (1989/90)

Commonwealth Government
No. of bargains included 1

Jersey Electricity Co Ltd 4% Deb 2000 - 201% (1989/90)

Foreign Stocks, Bonds, etc-coupons payable in London No. of bargains included 34

Abbey National PLC 10% Deb 2000 - 201% (1989/90)

Abbey National Treasury Services PLC 12% Deb 2000 - 201% (1989/90)

Abbey National Treasury Services PLC 12% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

British Airways PLC 10% Deb 2000 - 201% (1989/90)

Banks and Discount Companies
No. of bargains included 1872

ABN-Amro Bank NV 10% Deb 2000 - 201% (1989/90)

ABN-Amro Bank NV 10% Deb 2000 - 201% (1989/90)

ABN-Amro Bank NV 10% Deb 2000 - 201% (1989/90)

Brokers and Distillers
No. of bargains included 173

Alfred Dunhill Ltd 10% Deb 2000 - 201% (1989/90)

Alfred Dunhill Ltd 10% Deb 2000 - 201% (1989/90)

Alfred Dunhill Ltd 10% Deb 2000 - 201% (1989/90)

Registered Housing Associations
No. of bargains included 1

Association of Housing Associations 10% Deb 2000 - 201% (1989/90)

Commercial, Industrial, etc
No. of bargains included 1309

ADL Ltd 10% Deb 2000 - 201% (1989/90)

ADL Ltd 10% Deb 2000 - 201% (1989/90)

ADL Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts, Land, etc
No. of bargains included 1

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Financial Trusts Ltd 10% Deb 2000 - 201% (1989/90)

Investment Funds
No. of bargains included 745

Investment Funds Ltd 10% Deb 2000 - 201% (1989/90)

Insurance
No. of bargains included 581

Insurance Co Ltd 10% Deb 2000 - 201% (1989/90)

Plantations
No. of bargains included 10

Plantations Ltd 10% Deb 2000 - 201% (1989/90)

Shipping
No. of bargains included 280

Shipping Co Ltd 10% Deb 2000 - 201% (1989/90)

Utilities
No. of bargains included 17

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Utilities Ltd 10% Deb 2000 - 201% (1989/90)

Miscellaneous Warrants
No. of bargains included 1

Miscellaneous Warrants Ltd 10% Deb 2000 - 201% (1989/90)

USM Appendix
No. of bargains included 464

USM Appendix Ltd 10% Deb 2000 - 201% (1989/90)

The Third Market Appendix
No. of bargains included 1

The Third Market Appendix Ltd 10% Deb 2000 - 201% (1989/90)

Rule 55(2) (b)
Bargains made in securities which are not included in the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

PRIVATE BANKING

The Financial Times proposes to publish this survey on:

9th October 1990

For a full editorial synopsis and advertisement details, please contact:

Robert Forrester
on 071-873 3206

or write to him at:

Number One
Southwark Bridge
London SE1 9HL

FINANCIAL TIMES
LONDON'S BUSINESS NEWSPAPER

HERTFORDSHIRE

The Financial Times proposes to publish this survey on:

28th November 1990

For a full editorial synopsis and advertisement details, please contact either:

Clive Booth
on 071 873 4152

or **Sebastian Mathison**
on 071 873 4129

or write to:

Number One
Southwark Bridge
London SE1 9HL

FINANCIAL TIMES
LONDON'S BUSINESS NEWSPAPER

WEEKEND FT

Advertisement Rates

| Residential Prop (1000 sq ft) | Per line (1000 sq ft) | Single col (1000 sq ft) |
|-------------------------------|-----------------------|-------------------------|
| £84.00 | 7.00 | 30.00 |
| £84.00 | 6.00 | 22.00 |
| £84.00 | 5.00 | 18.00 |
| £84.00 | 4.00 | 14.00 |
| £84.00 | 3.00 | 10.00 |
| £84.00 | 2.00 | 7.00 |
| £84.00 | 1.00 | 4.00 |

All prices exclude VAT

For further details write to:

Classified Advertisement Manager
FINANCIAL TIMES
Number One Southwark Bridge London SE1 9HL

Commercial Property Advertising

appears every Friday

For further information in North America please call:

JoAnn Gredell
212 752 4500

or write to her at

14 East 60th Street
New York, NY 10022

FINANCIAL TIMES
LONDON'S BUSINESS NEWSPAPER

Handwritten signature and date: 22/9/90

LONDON STOCK EXCHANGE

Determined rally to end the account

London's equity market had another roller-coaster ride as the two-week trading account drew to a close. It opened marginally firmer, but then plunged below the 2,000 level on the Footsie, before staging a determined rally which left share prices higher on balance at the close of trading.

In the background to an erratic week in the equity market were widespread and growing fears of worldwide recession, a state of poor company results and concern about a possible delay of UK entry into the European exchange rate mechanism.

It was speculation over ERM entry, coupled with increased

| Account Dealing Dates | | |
|-----------------------|--------|--------|
| First Dealing | 24 Sep | Oct 5 |
| Options Dealing | 24 Sep | Oct 18 |
| Last Dealing | 24 Sep | Oct 18 |
| Account Closes | 24 Sep | Oct 18 |

*These dates apply to the main market. Other markets may have different dates.

tenor in the Middle East that undermined an early tentative rise in UK equities. Dealers marked blue chips higher at the outset in what was said to have been largely a technical rally after the near 50-point loss on the Footsie on Thursday.

The early firmness, however,

lasted only a matter of minutes as another wave of selling by investors increasingly disillusioned by the growing list of UK company results and difficulties hit the market.

A near-panic bout of selling ensued, with traders cutting prices to try and stem a constant stream of selling orders. From an opening level of 2,023.5, up to the Footsie fell to 1,975.9 and was showing a 41 point fall within ninety minutes of the opening, sliding through the psychologically important 2,000 level in the process.

Bottoming at 1,975.9 on the Footsie, the market then steadied before embarking on a sus-

tained and impressive recovery which saw the 100-share index accelerate back through 2,000 and close a net 8.8 higher at the day's highest point of 2,032.5. However, over the week the Footsie has fallen 68.3, or 3.3 per cent. The recovery was sparked by a number of institutions picking up top-quality defensive stocks, and consolidated after an encouraging opening by Wall Street.

Dealers were taken aback by both the extent of the decline, and by the recovery in the market. "Minutes before 10am it looked as if we were going down to 1,900, there wasn't a buyer in sight and there were some nasty rumours circulat-

ing," said one marketmaker, referring to suggestions that at least three securities houses were on the verge of withdrawing from a trading arena ever more prone to wild and costly swings in sentiment.

Trading volume yesterday picked up with 553.7m shares traded, against Thursday's 517.7. On Monday turnover was a pitiful 270.1m shares.

Some equity strategists claimed that the recent steep decline in equities as a good buying opportunity. John Reynolds at County NatWest said on most valuation terms the market was "looking cheap" with interest rates set to fall during coming months.

Brent Walker volatile

Brent Walker fell sharply after one of its joint auditors said it was unable to continue to act for the company in the dispute with Grand Metropolitan, due to a conflict of interest. Brent Walker is seeking compensation for an alleged profits shortfall at William Hill and Mecca Bookmakers, which it bought from GrandMet last year.

The shares staged a partial recovery when Brent issued a statement "to reassure the market as to the financial conditions of the company." It said that the company's interim figures, which will be reported on September 27, would show profits and earnings "materially in excess" of the comparable figures for 1989. Brent Walker had a profit of \$20m in the first half of 1989.

Brent Walker plunged 80 at one point but ended that day 15 lower at 120p. Grand Metropolitan slipped 2 with the soft brewing sector to 53p after unexceptional business volume.

Cookson revives

Cookson traded in animated fashion and rebounded as the company emphasised "that all divisions of the group, including Tioxide, continue to trade profitably and that group operating profit remains well in excess of interest charges." The group did admit pressures on profitability at Tioxide.

The news failed to dampen yesterday's new-found buying enthusiasm. Business comprised both genuine investment demand and professional short-covering after Thursday's 40 per cent fall in the shares. Turnover finally reached 12m and the shares, after recovering strongly to 81p, closed 23 up on balance at 77p.

Mr David Ireland of Hoare Govett changed his stance to a buy. Cookson was a case of a depressed earnings outlook versus asset backing, said the researcher, who continued: "Don't miss the point that Tioxide is an undervalued asset in the balance sheet and worth a great deal of money."

Late events

Premier Consolidated Oilfields closed 2 down at 77p against the overall trend in the sector, but the minor change in the share price masked some dramatic rumours circulating in the market within seconds of the official close.

It was said that Kleinwort Benson had sold the near-29

per cent (approximately 134m shares) stake in Premier, acquired by the securities house in August from Burmah Castrol at 99p a share, to a single buyer at 75p a share. Any sale at that price would have left Kleinwort carrying a near-£40m loss on the purchase and sale. Original attempts by Kleinwort to place the share stake at a small premium to the purchase price proved unsuccessful.

Kleinwort Benson declined to comment, as did Premier's managing director, Mr Charles Jamieson.

Bid for Caird

The second bid this week for a waste management company of £140m was made by Severn Trent Water of 100p cash per share. Severn said the bid is conditional on Caird reconfirming its profit forecast of \$3.5m for the eighteen-month period to December 31.

Caird shares plunged from 160p earlier this month after the company reported twelve-month profits well below market expectations. Mr Peter Linacre, the chairman, faced criticism from both domestic and US institutional investors, and the Stock Exchange conducted an inquiry into share dealings.

Dr Edmund Bradley of Citicorp Investment Bank thought the offer was good value, bearing in mind Caird's recent fall from grace. "The carrying cost of money" argument is valid here, as is the potential for squabbling between the two companies over Caird's profit forecast for the next six months, said the researcher.

"Caird may well have a net

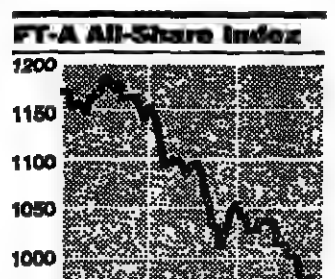
asset value of some 120p to 150p a share but the cost of realising those assets will be substantial and, on a two-year view, probably beyond Caird's resources," continued Dr Bradley.

Severn Trent bought stock of Caird yesterday and was believed to have increased its holding from 5 per cent to around 20 per cent. Severn shares ended 7 lower at 213p.

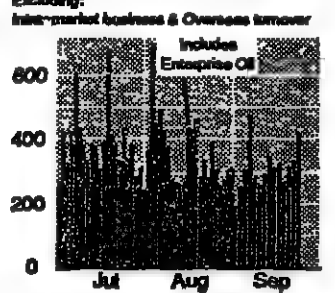
International stocks improved as sterling weakened. Glaxo climbed 2 to 730p ahead of Monday's ex-dividend date. BTR, which had been hit in advance of this week's fall by disappointing figures, bounced 12 to 303p. SmithKline Beecham and Fisons rounded off a resilient week with rises of 8 to 547p and 5 to 333p.

Unilever climbed 10 to 607p and the closing of bear positions in Reuters helped this volatile stock recover 28 to 702p. Banks had a mixed day, with Standard Chartered hit again by fears that it was badly exposed to some companies identified by analysts as most vulnerable to a recession. It lost 18 to 302p on busy turnover of 3.4m shares. The was also heavy trade in Barclays and NatWest, where 7.8m and 10m respectively changed hands. The prices, however, edged ahead in line with the market. Barclays firming a penny to 301 and NatWest added 14 to 394p.

Building stocks continued to supply evidence of the squeeze caused by the slump in the construction industry and the high cost of servicing debt. Many of the mark-up in leading stocks were on messages of reassurance rather than a



Equity Shares Traded
Turnover by volume (million)



change in underlying sentiment. Beecham finished higher at 101p as the stock reacted belatedly to Thursday's company statement which suggested there was nothing other than market conditions behind the recent decline. Tarmac, which reports interim figures next Tuesday, rose 7 to 194p, but TSBG Group, also with interim data, lost 18 to 47p.

Thursday's announcement of a 5 per cent fall in RMC Group interim profits brought a mixed reaction from leading analysts. Hoare Govett suggested that the company's diversified sources of income - highlighted by its increased profits in Germany - made the shares undervalued at current levels. But BZW said that the strength of overseas operations will be insufficient to offset the severity of the UK downturn. BZW downgraded its profit forecast for the year by 11m to 220m. Nevertheless, the share price finished 13 higher at 184p.

Traveller House suffered, according to a sales specialist, from a split selling order and fell to 178p prior to closing 7 off on the day at 184p. Wassall also lost ground to 122p, down 8, although the company reported higher half-yearly profits on Tuesday.

Macarthy, under pressure all week on talk of a line of stock overhanging the market, dipped to 123p before ending 6 easier on the session at 131p. Norcross continued to discount any cut in the dividend payment, and settled at a low of the year of 77p, down 9 while sharply reduced first-half profits left US-listed Ilex Holdings 12 lower at 38p.

Thorn EMI fell 6 to 579p after an announcement that its US subsidiary, Thorn EMI North America, had filed a

complaint against Samsung Semiconductor on the grounds that Samsung had been infringing seven US Thomson patents. Unitech reacted 16 to 303p after the chairman told shareholders that although orders and sales had continued at a satisfactory rate, it was unlikely that the Group would report any improvement in profits for the first half.

British Aerospace picked up 12 to close at 534p as analysts said controversy was easing in the US over a possible fighter aircraft deal with Saudi Arabia which has been seen as a threat to a conditional Saudi order for 48 BAe Tornado aircraft.

Much of the food sector was hit by uncertainties over the fate of Polly Peck, and in particular whether it would remain in the FT-SE 100 with all that entails for the popularity of the stock among index tracking funds. Booker was 9 off at 350p and Hazlewood Foods, unable to shake off the effects of analysts' downgrading earlier in the week, lost another 3 at 123p, down 21 on the week.

Berisford performed dismally for additional reasons. The bid for its British Sugar operation by Tate and Lyle was referred to the Monopolies and Mergers Commission. Marketmakers spoke of a large bid and breakfast deal in the stock, but a big discount was placed on the normal trading price. They added that there seemed to be a glut of Berisford in the market. Berisford lost 7 to 33p as a busy 5.2m changing hands, while Tate slipped 4 to 239p.

Associated British Foods shed 9 to 396p, where sentiment was affected by a cautious statement from Fortnum and Mason, the luxury goods store in which the ABF chairman controls 88 per cent of the equity. Fortnum lost 21 to 243p.

LEADERS AND LAGGARDS

| Percentage changes since December 29 1989 based on Thursday September 20 1990 | |
|---|-------|
| Water | 0.34 |
| Chemicals | 22.85 |
| Food Retailing | 24.51 |
| Stores | 24.87 |
| Engineering-General | 24.88 |
| Banking | 25.71 |
| Insurance(Life) | 25.72 |
| Engineering-Specialist | 25.73 |
| Consumer Goods | 25.74 |
| Building Materials | 25.75 |
| Health & Household Products | 25.76 |
| Telephone Networks | 25.77 |
| Food Manufacturing | 25.78 |
| Engineering-Aerospace | 25.79 |
| 500 Shares Index | 25.80 |
| All Share Index | 25.81 |
| Property | 25.82 |
| Metals & Metal Forming | 25.83 |
| Industrial Group | 25.84 |
| Electronics | 25.85 |
| Media & Mass Communication | 25.86 |
| Publishing & Printing | 25.87 |
| Transport | 25.88 |
| Investment Trusts | 25.89 |

Water

Chemicals

Food Retailing

Stores

Engineering-General

Banking

Insurance(Life)

Engineering-Specialist

Consumer Goods

Building Materials

Health & Household Products

Telephone Networks

Food Manufacturing

Engineering-Aerospace

500 Shares Index

All Share Index

Property

Metals & Metal Forming

Industrial Group

Electronics

Media & Mass Communication

Publishing & Printing

Transport

Investment Trusts

Water

Chemicals

Food Retailing

Stores

Engineering-General

Banking

Insurance(Life)

Engineering-Specialist

Consumer Goods

Building Materials

FINANCIAL TIMES STOCK INDICES

| | Sept 21 | Sept 22 | Sept 23 | Sept 24 | Sept 25 | Year Ago | High | Low | Since Completion |
|--------------------------------------|-------------------|------------------|---------|---------|---------|----------|--------|--------|------------------|
| Government Secs | 78.56 | 78.41 | 78.45 | 78.29 | 78.51 | 85.86 | 84.20 | 74.13 | 127.4 |
| Fixed Interest | 86.62 | 87.00 | 87.01 | 87.04 | 87.10 | 90.10 | 82.81 | 83.00 | 105.4 |
| Ordinary Share | 1537.3 | 1531.1 | 1578.1 | 1578.8 | 1608.1 | 1948.5 | 1888.3 | 1531.1 | 2008.8 |
| Gold Mines | 198.1 | 184.8 | 182.7 | 186.2 | 188.6 | 210.7 | 375.7 | 67.8 | 734.7 |
| FT-SE 100 Share | 2025.5 | 2016.9 | 2036.8 | 2064.0 | 2094.3 | 2370.2 | 2463.7 | 2016.9 | 2463.7 |
| Ord. Div. Yield | 6.17 | 6.21 | 6.02 | 6.02 | 5.91 | 4.17 | 6.17 | 6.17 | 6.17 |
| Earning Yld % (Full) | 12.54 | 13.02 | 12.63 | 12.63 | 12.59 | 9.88 | 12.54 | 12.54 | 12.54 |
| P/E Ratio (Full) | 9.27 | 9.20 | 9.60 | 9.60 | 9.70 | 12.05 | 9.27 | 9.27 | 9.27 |
| SEAO Bargain 4.45pm | 25,895 | 17,418 | 17,418 | 17,418 | 16,310 | 21,438 | 25,895 | 17,418 | 21,438 |
| Equity Turnover(£m) | 517.7 | 742.22 | 638.93 | 627.48 | 673.20 | 517.7 | 517.7 | 517.7 | 517.7 |
| Equity Bargain(£m) | 20,454 | 18,866 | 16,167 | 16,163 | 22,859 | 20,454 | 20,454 | 20,454 | 20,454 |
| Business Traded (m) | 407.8 | 334.5 | 312.2 | 312.2 | 319.0 | 407.8 | 407.8 | 407.8 | 407.8 |
| Ordinary Share Index, Hourly changes | Day's High 1537.3 | Day's Low 1496.9 | | | | | | | |
| Open | 1535.2 | 1500.3 | 1517.8 | 1525.8 | 1531.5 | 1525.3 | 1525.3 | 1525.3 | 1525.3 |
| FT-SE, Hourly changes | Day's High 2025.5 | Day's Low 1976.9 | | | | | | | |
| Open | 2023.5 | 2012.8 | 2019.6 | 2026.8 | 2037.7 | 2016.9 | 2016.9 | 2016.9 | 2016.9 |

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

Business Traded (m)

Ordinary Share Index, Hourly changes

Open

FT-SE, Hourly changes

Open

SEAO Bargain 4.45pm

Equity Turnover(£m)

Equity Bargain(£m)

FT MANAGED FUNDS SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-625-2126.

**AUTHORISED
UNIT TRUSTS**[illegible]

• Current Unit Trust Prices are available on FT Cityline. To obtain your free booklet, log the FT Cityline help desk on 071-925-2128.

Continued on next page

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128.

Jones & Neville Fund Mgmt (Guernsey) Ltd

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

AGED FUNDS NOTES
 The following information is collected and is not
 to profits refer to U.S. dollars. Vendors
 operating expenses. Prices of certain
 funds subject to capital gains tax
 is free of U.K. taxes. A periodic protection
 single premium insurance, a Designated
 a UCITS (Undertakings for Collective
 Investment Securities). Offered
 means except agent's commission
 by Gateway plc. or Supersave
 tax. Tax Exemption. 25 Daily allow
 or - Shareholder Status
 is not disclosed.
 is accepted. The regulatory authority
 are: Gaerney; Financial Services
 of Man. Financial Supervision
 by. Economic and Financial Department
 Ministry Luxembourg.

WORLD STOCK MARKETS

US MARKETS (3pm)[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

| | |
|-------------------------|-----|
| Winn-Dixie Store | 56% |
| Winn-Dixie Super | 15% |
| Woolworths | 7% |
| Worshipmen Inc | 19% |
| Worshipmen 2 Inc. | 48% |
| Yarns | 13% |
| Yellow Pet. Str. | 12% |
| Zenith Hair | 9% |
| Zoro Co. | 10% |

| CANADA (April) | |
|--------------------|----------|
| September 21 | Cdn \$ * |
| Almali | 15% |
| Aspen Eagle | 7% |
| Atlantic Energy | 1% |
| Atlas Aluminum | 1% |
| Avco Canada | 1% |
| Banc. Montreal | 2% |
| Bell North Pacific | 12% |
| Bell Canada | 1% |
| Bentley | 17% |
| Bell Canada | 1% |
| BP Canada Ltd. | 20% |
| Brinco | 1% |
| Brown A. | 1% |
| Canadian Nat. | 14% |
| CAE | 1% |
| CI Financial | 17% |
| Comptel | 1% |
| Cos. NW Corp. | 1% |
| Cos. Packers | 1% |
| Cos. Pac. Bldg. | 1% |
| Cos. Pacific | 1% |
| Cos. Tire A. | 1% |
| Cos. Tire | 1% |
| Cos. Tire B. | 1% |
| Cos. Tire C. | 1% |
| Cos. Tire D. | 1% |
| Cos. Tire E. | 1% |
| Cos. Tire F. | 1% |
| Cos. Tire G. | 1% |
| Cos. Tire H. | 1% |
| Cos. Tire I. | 1% |
| Cos. Tire J. | 1% |
| Cos. Tire K. | 1% |
| Cos. Tire L. | 1% |
| Cos. Tire M. | 1% |
| Cos. Tire N. | 1% |
| Cos. Tire O. | 1% |
| Cos. Tire P. | 1% |
| Cos. Tire Q. | 1% |
| Cos. Tire R. | 1% |
| Cos. Tire S. | 1% |
| Cos. Tire T. | 1% |
| Cos. Tire U. | 1% |
| Cos. Tire V. | 1% |
| Cos. Tire W. | 1% |
| Cos. Tire X. | 1% |
| Cos. Tire Y. | 1% |
| Cos. Tire Z. | 1% |
| Cos. Tire AA. | 1% |
| Cos. Tire AB. | 1% |
| Cos. Tire AC. | 1% |
| Cos. Tire AD. | 1% |
| Cos. Tire AE. | 1% |
| Cos. Tire AF. | 1% |
| Cos. Tire AG. | 1% |
| Cos. Tire AH. | 1% |
| Cos. Tire AI. | 1% |
| Cos. Tire AJ. | 1% |
| Cos. Tire AK. | 1% |
| Cos. Tire AL. | 1% |
| Cos. Tire AM. | 1% |
| Cos. Tire AN. | 1% |
| Cos. Tire AO. | 1% |
| Cos. Tire AP. | 1% |
| Cos. Tire AQ. | 1% |
| Cos. Tire AR. | 1% |
| Cos. Tire AS. | 1% |
| Cos. Tire AT. | 1% |
| Cos. Tire AU. | 1% |
| Cos. Tire AV. | 1% |
| Cos. Tire AW. | 1% |
| Cos. Tire AX. | 1% |
| Cos. Tire AY. | 1% |
| Cos. Tire AZ. | 1% |
| Cos. Tire BA. | 1% |
| Cos. Tire BB. | 1% |
| Cos. Tire BC. | 1% |
| Cos. Tire BD. | 1% |
| Cos. Tire BE. | 1% |
| Cos. Tire BF. | 1% |
| Cos. Tire BG. | 1% |
| Cos. Tire BH. | 1% |
| Cos. Tire BI. | 1% |
| Cos. Tire BJ. | 1% |
| Cos. Tire BK. | 1% |
| Cos. Tire BL. | 1% |
| Cos. Tire BM. | 1% |
| Cos. Tire BN. | 1% |
| Cos. Tire BO. | 1% |
| Cos. Tire BP. | 1% |
| Cos. Tire BQ. | 1% |
| Cos. Tire BR. | 1% |
| Cos. Tire BS. | 1% |
| Cos. Tire BT. | 1% |
| Cos. Tire BU. | 1% |
| Cos. Tire BV. | 1% |
| Cos. Tire BW. | 1% |
| Cos. Tire BX. | 1% |
| Cos. Tire BY. | 1% |
| Cos. Tire BZ. | 1% |
| Cos. Tire CA. | 1% |
| Cos. Tire CB. | 1% |
| Cos. Tire CC. | 1% |
| Cos. Tire CD. | 1% |
| Cos. Tire CE. | 1% |
| Cos. Tire CF. | 1% |
| Cos. Tire CG. | 1% |
| Cos. Tire CH. | 1% |
| Cos. Tire CI. | 1% |
| Cos. Tire CJ. | 1% |
| Cos. Tire CK. | 1% |
| Cos. Tire CL. | 1% |
| Cos. Tire CM. | 1% |
| Cos. Tire CN. | 1% |
| Cos. Tire CO. | 1% |
| Cos. Tire CP. | 1% |
| Cos. Tire CQ. | 1% |
| Cos. Tire CR. | 1% |
| Cos. Tire CS. | 1% |
| Cos. Tire CT. | 1% |
| Cos. Tire CU. | 1% |
| Cos. Tire CV. | 1% |
| Cos. Tire CW. | 1% |
| Cos. Tire CX. | 1% |
| Cos. Tire CY. | 1% |
| Cos. Tire CZ. | 1% |
| Cos. Tire DA. | 1% |
| Cos. Tire DB. | 1% |
| Cos. Tire DC. | 1% |
| Cos. Tire DD. | 1% |
| Cos. Tire DE. | 1% |
| Cos. Tire DF. | 1% |
| Cos. Tire DG. | 1% |
| Cos. Tire DH. | 1% |
| Cos. Tire DI. | 1% |
| Cos. Tire DJ. | 1% |
| Cos. Tire DK. | 1% |
| Cos. Tire DL. | 1% |
| Cos. Tire DM. | 1% |
| Cos. Tire DN. | 1% |
| Cos. Tire DO. | 1% |
| Cos. Tire DP. | 1% |
| Cos. Tire DQ. | 1% |
| Cos. Tire DR. | 1% |
| Cos. Tire DS. | 1% |
| Cos. Tire DT. | 1% |
| Cos. Tire DU. | 1% |
| Cos. Tire DV. | 1% |
| Cos. Tire DW. | 1% |
| Cos. Tire DX. | 1% |
| Cos. Tire DY. | 1% |
| Cos. Tire DZ. | 1% |
| Cos. Tire EA. | 1% |
| Cos. Tire EB. | 1% |
| Cos. Tire EC. | 1% |
| Cos. Tire ED. | 1% |
| Cos. Tire EE. | 1% |
| Cos. Tire EF. | 1% |

[illegible][illegible]

| | |
|-------------------|--------|
| Transatlantic | 7,050 |
| De. AFV 1 | 2,200 |
| INCA | 18,725 |
| De. AFV | 17,325 |
| De. AFV 2 | 2,200 |
| De. AFV 3 | 2,125 |
| De. AFV 4 | 2,125 |
| De. AFV 5 | 6,350 |
| DEPARTMENT | |
| September 21 | 100 |
| Patricia Midge | 770 |
| De. AFV 1 | 2,200 |
| De. AFV 2 | 2,200 |
| De. AFV 3 | 2,200 |
| De. AFV 4 | 2,200 |
| De. AFV 5 | 2,200 |
| De. AFV 6 | 2,200 |
| De. AFV 7 | 2,200 |
| De. AFV 8 | 2,200 |
| De. AFV 9 | 2,200 |
| De. AFV 10 | 2,200 |
| De. AFV 11 | 2,200 |
| De. AFV 12 | 2,200 |
| De. AFV 13 | 2,200 |
| De. AFV 14 | 2,200 |
| De. AFV 15 | 2,200 |
| De. AFV 16 | 2,200 |
| De. AFV 17 | 2,200 |
| De. AFV 18 | 2,200 |
| De. AFV 19 | 2,200 |
| De. AFV 20 | 2,200 |
| De. AFV 21 | 2,200 |
| De. AFV 22 | 2,200 |
| De. AFV 23 | 2,200 |
| De. AFV 24 | 2,200 |
| De. AFV 25 | 2,200 |
| De. AFV 26 | 2,200 |
| De. AFV 27 | 2,200 |
| De. AFV 28 | 2,200 |
| De. AFV 29 | 2,200 |
| De. AFV 30 | 2,200 |
| De. AFV 31 | 2,200 |
| De. AFV 32 | 2,200 |
| De. AFV 33 | 2,200 |
| De. AFV 34 | 2,200 |
| De. AFV 35 | 2,200 |
| De. AFV 36 | 2,200 |
| De. AFV 37 | 2,200 |
| De. AFV 38 | 2,200 |
| De. AFV 39 | 2,200 |
| De. AFV 40 | 2,200 |
| De. AFV 41 | 2,200 |
| De. AFV 42 | 2,200 |
| De. AFV 43 | 2,200 |
| De. AFV 44 | 2,200 |
| De. AFV 45 | 2,200 |
| De. AFV 46 | 2,200 |
| De. AFV 47 | 2,200 |
| De. AFV 48 | 2,200 |
| De. AFV 49 | 2,200 |
| De. AFV 50 | 2,200 |
| De. AFV 51 | 2,200 |
| De. AFV 52 | 2,200 |
| De. AFV 53 | 2,200 |
| De. AFV 54 | 2,200 |
| De. AFV 55 | 2,200 |
| De. AFV 56 | 2,200 |
| De. AFV 57 | 2,200 |
| De. AFV 58 | 2,200 |
| De. AFV 59 | 2,200 |
| De. AFV 60 | 2,200 |
| De. AFV 61 | 2,200 |
| De. AFV 62 | 2,200 |
| De. AFV 63 | 2,200 |
| De. AFV 64 | 2,200 |
| De. AFV 65 | 2,200 |
| De. AFV 66 | 2,200 |
| De. AFV 67 | 2,200 |
| De. AFV 68 | 2,200 |
| De. AFV 69 | 2,200 |
| De. AFV 70 | 2,200 |
| De. AFV 71 | 2,200 |
| De. AFV 72 | 2,200 |
| De. AFV 73 | 2,200 |
| De. AFV 74 | 2,200 |
| De. AFV 75 | 2,200 |
| De. AFV 76 | 2,200 |
| De. AFV 77 | 2,200 |
| De. AFV 78 | 2,200 |
| De. AFV 79 | 2,200 |
| De. AFV 80 | 2,200 |
| De. AFV 81 | 2,200 |
| De. AFV 82 | 2,200 |
| De. AFV 83 | 2,200 |
| De. AFV 84 | 2,200 |
| De. AFV 85 | 2,200 |
| De. AFV 86 | 2,200 |
| De. AFV 87 | 2,200 |
| De. AFV 88 | 2,200 |
| De. AFV 89 | 2,200 |
| De. AFV 90 | 2,200 |
| De. AFV 91 | 2,200 |
| De. AFV 92 | 2,200 |
| De. AFV 93 | 2,200 |
| De. AFV 94 | 2,200 |
| De. AFV 95 | 2,200 |
| De. AFV 96 | 2,200 |
| De. AFV 97 | 2,200 |
| De. AFV 98 | 2,200 |
| De. AFV 99 | 2,200 |
| De. AFV 100 | 2,200 |

[illegible][illegible][illegible][illegible][illegible][illegible][illegible]

| ITALY (continued) | | |
|-------------------|------|------|
| September 21 | | Ph. |
| S&SIS | 6.9 | 1.0 |
| S&P 500 | 1.1 | 1.1 |
| S&P 500 | 1.3 | 1.3 |
| S&P 500 | 1.4 | 1.4 |
| S&P 500 | 1.5 | 1.5 |
| S&P 500 | 1.6 | 1.6 |
| S&P 500 | 1.7 | 1.7 |
| S&P 500 | 1.8 | 1.8 |
| S&P 500 | 1.9 | 1.9 |
| S&P 500 | 2.0 | 2.0 |
| S&P 500 | 2.1 | 2.1 |
| S&P 500 | 2.2 | 2.2 |
| S&P 500 | 2.3 | 2.3 |
| S&P 500 | 2.4 | 2.4 |
| S&P 500 | 2.5 | 2.5 |
| S&P 500 | 2.6 | 2.6 |
| S&P 500 | 2.7 | 2.7 |
| S&P 500 | 2.8 | 2.8 |
| S&P 500 | 2.9 | 2.9 |
| S&P 500 | 3.0 | 3.0 |
| S&P 500 | 3.1 | 3.1 |
| S&P 500 | 3.2 | 3.2 |
| S&P 500 | 3.3 | 3.3 |
| S&P 500 | 3.4 | 3.4 |
| S&P 500 | 3.5 | 3.5 |
| S&P 500 | 3.6 | 3.6 |
| S&P 500 | 3.7 | 3.7 |
| S&P 500 | 3.8 | 3.8 |
| S&P 500 | 3.9 | 3.9 |
| S&P 500 | 4.0 | 4.0 |
| S&P 500 | 4.1 | 4.1 |
| S&P 500 | 4.2 | 4.2 |
| S&P 500 | 4.3 | 4.3 |
| S&P 500 | 4.4 | 4.4 |
| S&P 500 | 4.5 | 4.5 |
| S&P 500 | 4.6 | 4.6 |
| S&P 500 | 4.7 | 4.7 |
| S&P 500 | 4.8 | 4.8 |
| S&P 500 | 4.9 | 4.9 |
| S&P 500 | 5.0 | 5.0 |
| S&P 500 | 5.1 | 5.1 |
| S&P 500 | 5.2 | 5.2 |
| S&P 500 | 5.3 | 5.3 |
| S&P 500 | 5.4 | 5.4 |
| S&P 500 | 5.5 | 5.5 |
| S&P 500 | 5.6 | 5.6 |
| S&P 500 | 5.7 | 5.7 |
| S&P 500 | 5.8 | 5.8 |
| S&P 500 | 5.9 | 5.9 |
| S&P 500 | 6.0 | 6.0 |
| S&P 500 | 6.1 | 6.1 |
| S&P 500 | 6.2 | 6.2 |
| S&P 500 | 6.3 | 6.3 |
| S&P 500 | 6.4 | 6.4 |
| S&P 500 | 6.5 | 6.5 |
| S&P 500 | 6.6 | 6.6 |
| S&P 500 | 6.7 | 6.7 |
| S&P 500 | 6.8 | 6.8 |
| S&P 500 | 6.9 | 6.9 |
| S&P 500 | 7.0 | 7.0 |
| S&P 500 | 7.1 | 7.1 |
| S&P 500 | 7.2 | 7.2 |
| S&P 500 | 7.3 | 7.3 |
| S&P 500 | 7.4 | 7.4 |
| S&P 500 | 7.5 | 7.5 |
| S&P 500 | 7.6 | 7.6 |
| S&P 500 | 7.7 | 7.7 |
| S&P 500 | 7.8 | 7.8 |
| S&P 500 | 7.9 | 7.9 |
| S&P 500 | 8.0 | 8.0 |
| S&P 500 | 8.1 | 8.1 |
| S&P 500 | 8.2 | 8.2 |
| S&P 500 | 8.3 | 8.3 |
| S&P 500 | 8.4 | 8.4 |
| S&P 500 | 8.5 | 8.5 |
| S&P 500 | 8.6 | 8.6 |
| S&P 500 | 8.7 | 8.7 |
| S&P 500 | 8.8 | 8.8 |
| S&P 500 | 8.9 | 8.9 |
| S&P 500 | 9.0 | 9.0 |
| S&P 500 | 9.1 | 9.1 |
| S&P 500 | 9.2 | 9.2 |
| S&P 500 | 9.3 | 9.3 |
| S&P 500 | 9.4 | 9.4 |
| S&P 500 | 9.5 | 9.5 |
| S&P 500 | 9.6 | 9.6 |
| S&P 500 | 9.7 | 9.7 |
| S&P 500 | 9.8 | 9.8 |
| S&P 500 | 9.9 | 9.9 |
| S&P 500 | 10.0 | 10.0 |
| S&P 500 | 10.1 | 10.1 |
| S&P 500 | 10.2 | 10.2 |
| S&P 500 | 10.3 | 10.3 |
| S&P 500 | 10.4 | 10.4 |
| S&P 500 | 10.5 | 10.5 |
| S&P 500 | 10.6 | 10.6 |
| S&P 500 | 10.7 | 10.7 |
| S&P 500 | 10.8 | 10.8 |
| S&P 500 | 10.9 | 10.9 |
| S&P 500 | 11.0 | 11.0 |
| S&P 500 | 11.1 | 11.1 |
| S&P 500 | 11.2 | 11.2 |
| S&P 500 | 11.3 | 11.3 |
| S&P 500 | 11.4 | 11.4 |
| S&P 500 | 11.5 | 11.5 |
| S&P 500 | 11.6 | 11.6 |
| S&P 500 | 11.7 | 11.7 |
| S&P 500 | 11.8 | 11.8 |
| S&P 500 | 11.9 | 11.9 |
| S&P 500 | 12.0 | 12.0 |
| S&P 500 | 12.1 | 12.1 |
| S&P 500 | 12.2 | 12.2 |
| S&P 500 | 12.3 | 12.3 |
| S&P 500 | 12.4 | 12.4 |
| S&P 500 | 12.5 | 12.5 |
| S&P 500 | 12.6 | 12.6 |
| S&P 500 | 12.7 | 12.7 |
| S&P 500 | 12.8 | 12.8 |
| S&P 500 | 12.9 | 12.9 |
| S&P 500 | 13.0 | 13.0 |
| S&P 500 | 13.1 | 13.1 |
| S&P 500 | 13.2 | 13.2 |
| S&P 500 | 13.3 | 13.3 |
| S&P 500 | 13.4 | 13.4 |
| S&P 500 | 13.5 | 13.5 |
| S&P 500 | 13.6 | 13.6 |
| S&P 500 | 13.7 | 13.7 |
| S&P 500 | 13.8 | 13.8 |
| S&P 500 | 13.9 | 13.9 |
| S&P 500 | 14.0 | 14.0 |
| S&P 500 | 14.1 | 14.1 |
| S&P 500 | 14.2 | 14.2 |
| S&P 500 | 14.3 | 14.3 |
| S&P 500 | 14.4 | 14.4 |
| S&P 500 | 14.5 | 14.5 |
| S&P 500 | 14.6 | 14.6 |
| S&P 500 | 14.7 | 14.7 |
| S&P 500 | 14.8 | 14.8 |
| S&P 500 | 14.9 | 14.9 |
| S&P 500 | 15.0 | 15.0 |
| S&P 500 | 15.1 | 15.1 |
| S&P 500 | 15.2 | 15.2 |
| S&P 500 | 15.3 | 15.3 |
| S&P 500 | 15.4 | 15.4 |
| S&P 500 | 15.5 | 15.5 |
| S&P 500 | 15.6 | 15.6 |
| S&P 500 | 15.7 | 15.7 |
| S&P 500 | 15.8 | 15.8 |
| S&P 500 | 15.9 | 15.9 |
| S&P 500 | 16.0 | 16.0 |
| S&P 500 | 16.1 | 16.1 |
| S&P 500 | 16.2 | 16.2 |
| S&P 500 | 16.3 | 16.3 |
| S&P 500 | 16.4 | 16.4 |
| S&P 500 | 16.5 | 16.5 |
| S&P 500 | 16.6 | 16.6 |
| S&P 500 | 16.7 | 16.7 |
| S&P 500 | 16.8 | 16.8 |
| S&P 500 | 16.9 | 16.9 |
| S&P 500 | 17.0 | 17.0 |
| S&P 500 | 17.1 | 17.1 |
| S&P 500 | 17.2 | 17.2 |
| S&P 500 | 17.3 | 17.3 |
| S&P 500 | 17.4 | 17.4 |
| S&P 500 | 17.5 | 17.5 |
| S&P 500 | 17.6 | 17.6 |
| S&P 500 | 17.7 | 17.7 |
| S&P 500 | 17.8 | 17.8 |
| S&P 500 | 17.9 | 17.9 |
| S&P 500 | 18.0 | 18.0 |
| S&P 500 | 18.1 | 18.1 |
| S&P 500 | 18.2 | 18.2 |
| S&P 500 | 18.3 | 18.3 |
| S&P 500 | 18.4 | 18.4 |
| S&P 500 | 18.5 | 18.5 |
| S&P 500 | 18.6 | 18.6 |
| S&P 500 | 18.7 | 18.7 |
| S&P 500 | 18.8 | 18.8 |
| S&P 500 | 18.9 | 18.9 |
| S&P 500 | 19.0 | 19.0 |
| S&P 500 | 19.1 | 19.1 |
| S&P 500 | 19.2 | 19.2 |
| S&P 500 | 19.3 | 19.3 |
| S&P 500 | 19.4 | 19.4 |
| S&P 500 | 19.5 | 19.5 |
| S&P 500 | 19.6 | 19.6 |
| S&P 500 | 19.7 | 19.7 |
| S&P 500 | 19.8 | 19.8 |
| S&P 500 | 19.9 | 19.9 |
| S&P 500 | 20.0 | 20.0 |
| S&P 500 | 20.1 | 20.1 |
| S&P 500 | 20.2 | 20.2 |
| S&P 500 | 20.3 | 20.3 |
| S&P 500 | 20.4 | 20.4 |
| S&P 500 | 20.5 | 20.5 |
| S&P 500 | 20.6 | 20.6 |
| S&P 500 | 20.7 | 20.7 |
| S&P 500 | 20.8 | 20.8 |
| S&P 500 | 20.9 | 20.9 |
| S&P 500 | 21.0 | 21.0 |
| S&P 500 | 21.1 | 21.1 |
| S&P 500 | 21.2 | 21.2 |
| S&P 500 | 21.3 | 21.3 |
| S&P 500 | 21.4 | 21.4 |
| S&P 500 | 21.5 | 21.5 |
| S&P 500 | 21.6 | 21.6 |
| S&P 500 | 21.7 | 21.7 |
| S&P 500 | 21.8 | 21.8 |
| S&P 500 | 21.9 | 21.9 |
| S&P 500 | 22.0 | 22.0 |
| S&P 500 | 22.1 | 22.1 |
| S&P 500 | 22.2 | 22.2 |
| S&P 500 | 22.3 | 22.3 |
| S&P 500 | 22.4 | 22.4 |
| S&P 500 | 22.5 | 22.5 |
| S&P 500 | 22.6 | 22.6 |
| S&P 500 | 22.7 | 22.7 |
| S&P 500 | 22.8 | 22.8 |
| S&P 500 | 22.9 | 22.9 |
| S&P 500 | 23.0 | 23.0 |
| S&P 500 | 23.1 | 23.1 |
| S&P 500 | 23.2 | 23.2 |
| S&P 500 | 23.3 | 23.3 |
| S&P 500 | 23.4 | 23.4 |
| S&P 500 | 23.5 | 23.5 |
| S&P 500 | 23.6 | 23.6 |
| S&P 500 | 23.7 | 23.7 |
| S&P 500 | 23.8 | 23.8 |
| S&P 500 | 23.9 | 23.9 |
| S&P 500 | 24.0 | 24.0 |
| S&P 500 | 24.1 | 24.1 |
| S&P 500 | 24.2 | 24.2 |
| S&P 500 | 24.3 | 24.3 |
| S&P 500 | 24.4 | 24.4 |
| S&P 500 | 24.5 | 24.5 |
| S&P 500 | 24.6 | 24.6 |
| S&P 500 | 24.7 | 24.7 |
| S&P 500 | 24.8 | 24.8 |
| S&P 500 | 24.9 | 24.9 |
| S&P 500 | 25.0 | 25.0 |
| S&P 500 | 25.1 | 25.1 |
| S&P 500 | 25.2 | 25.2 |
| S&P 500 | 25.3 | 25.3 |
| S&P 500 | 25.4 | 25.4 |
| S&P 500 | 25.5 | 25.5 |
| S&P 500 | 25.6 | 25.6 |
| S&P 500 | 25.7 | 25.7 |
| S&P 500 | 25.8 | 25.8 |
| S&P 500 | 25.9 | 25.9 |
| S&P 500 | 26.0 | 26.0 |
| S&P 500 | 26.1 | 26.1 |
| S&P 500 | 26.2 | 26.2 |
| S&P 500 | 26.3 | 26.3 |
| S&P 500 | 26.4 | 26.4 |
| S&P 500 | 26.5 | 26.5 |
| S&P 500 | 26.6 | 26.6 |
| S&P 500 | 26.7 | 26.7 |
| S&P 500 | 26.8 | 26.8 |
| S&P 500 | 26.9 | 26.9 |
| S&P 500 | 27.0 | 27.0 |
| S&P 500 | 27.1 | 27.1 |
| S&P 500 | 27.2 | 27.2 |
| S&P 500 | 27.3 | 27.3 |
| S&P 500 | 27.4 | 27.4 |
| S&P 500 | 27.5 | 27.5 |
| S&P 500 | 27.6 | 27.6 |
| S&P 500 | 27.7 | 27.7 |
| S&P 500 | 27.8 | 27.8 |
| S&P 500 | 27.9 | 27.9 |
| S&P 500 | 28.0 | 28.0 |
| S&P 500 | 28.1 | 28.1 |
| S&P 500 | 28.2 | 28.2 |
| S&P 500 | 28.3 | 28.3 |
| S&P 500 | 28.4 | 28.4 |
| S&P 500 | 28.5 | 28.5 |
| S&P 500 | 28.6 | 28.6 |
| S&P 500 | 28.7 | 28.7 |
| S&P 500 | 28.8 | 28.8 |
| S&P 500 | 28.9 | 28.9 |
| S&P 500 | 29.0 | 29.0 |
| S&P 500 | 29.1 | 29.1 |
| S&P 500 | 29.2 | 29.2 |
| S&P 500 | 29.3 | 29.3 |
| S&P 500 | 29.4 | 29.4 |
| S&P 500 | 29.5 | 29.5 |
| S&P 500 | 29.6 | 29.6 |
| S&P 500 | 29.7 | 29.7 |
| S&P 500 | 29.8 | 29.8 |
| S&P 500 | 29.9 | 29.9 |
| S&P 500 | 30.0 | 30.0 |
| S&P 500 | 30.1 | 30.1 |
| S&P 500 | 30.2 | 30.2 |
| S&P 500 | 30.3 | 30.3 |
| S&P 500 | 30.4 | 30.4 |
| S&P 500 | 30.5 | 30.5 |
| S&P 500 | 30.6 | 30.6 |
| S&P 500 | 30.7 | 30.7 |
| S&P 500 | 30.8 | 30.8 |
| S&P 500 | 30.9 | 30.9 |
| S&P 500 | 31.0 | 31.0 |
| S&P 500 | 31.1 | 31.1 |
| S&P 500 | 31.2 | 31.2 |
| S&P 500 | 31.3 | 31.3 |
| S&P 500 | 31.4 | 31.4 |
| S&P 500 | 31.5 | 31.5 |
| S&P 500 | 31.6 | 31.6 |
| S&P 500 | 31.7 | 31.7 |
| S&P 500 | 31.8 | 31.8 |
| S&P 500 | 31.9 | 31.9 |
| S&P 500 | 32.0 | 32.0 |
| S&P 500 | 32.1 | 32.1 |
| S&P 500 | 32.2 | 32.2 |
| S&P 500 | 32.3 | 32.3 |
| S&P 500 | 32.4 | 32.4 |
| S&P 500 | 32.5 | 32.5 |
| S&P 500 | 32.6 | 32.6 |
| S&P 500 | 32.7 | 32.7 |
| S&P 500 | 32.8 | 32.8 |
| S&P 500 | 32.9 | 32.9 |
| S&P 500 | 33.0 | 33.0 |
| S&P 500 | 33.1 | 33.1 |
| S&P 500 | 33.2 | 33.2 |
| S&P 500 | 33.3 | 33.3 |
| S&P 500 | 33.4 | 33.4 |
| S&P 500 | 33.5 | 33.5 |
| S&P 500 | 33.6 | 33.6 |
| S&P 500 | 33.7 | 33.7 |
| S&P 500 | 33.8 | 33.8 |
| S&P 500 | 33.9 | 33.9 |
| S&P 500 | 34.0 | 34.0 |
| S&P 500 | 34.1 | 34.1 |
| S&P 500 | 34.2 | 34.2 |
| S&P 500 | 34.3 | 34.3 |
| S&P 500 | 34.4 | 34.4 |
| S&P 500 | 34.5 | 34.5 |
| S&P 500 | 34.6 | 34.6 |
| S&P 500 | 34.7 | 34.7 |
| S&P 500 | 34.8 | 34.8 |
| S&P 500 | 34.9 | 34.9 |
| S&P 500 | 35.0 | 35.0 |
| S&P 500 | 35.1 | 35.1 |
| S&P 500 | 35.2 | 35.2 |
| S&P 500 | 35.3 | 35.3 |
| S&P 500 | 35.4 | 35.4 |
| S&P 500 | 35.5 | 35.5 |
| S&P 500 | 35.6 | 35.6 |
| S&P 500 | 35.7 | 35.7 |
| S&P 500 | 35.8 | 35.8 |
| S&P 500 | 35.9 | 35.9 |
| S&P 500 | 36.0 | 36.0 |
| S&P 500 | 36.1 | 36.1 |
| S&P 500 | 36.2 | 36.2 |
| S&P 500 | 36.3 | 36.3 |
| S&P 500 | 36.4 | 36.4 |
| S&P 500 | 36.5 | 36.5 |
| S&P 500 | 36.6 | 36.6 |
| S&P 500 | 36.7 | 36.7 |
| S&P 500 | 36.8 | 36.8 |
| S&P 500 | 36.9 | 36.9 |
| S&P 500 | 37.0 | 37.0 |
| S&P 500 | 37.1 | 37.1 |
| S&P 500 | 37.2 | 37.2 |
| S&P 500 | 37.3 | 37.3 |
| S&P 500 | 37.4 | 37.4 |
| S&P 500 | 37.5 | 37.5 |
| S&P 500 | 37.6 | 37.6 |
| S&P 500 | 37.7 | 37.7 |
| S&P 500 | 37.8 | 37.8 |
| S&P 500</ | | |

[illegible]

| | |
|----------|-------|
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | 2,971 |
| Aluminum | |

| SWEDEN | | |
|--------|----------------------|----|
| | September 21 | Kr |
| +216 | AGA (F) 1st | 27 |
| +150 | Ale-Lund B (F) 1st | 27 |
| +150 | Alma (F) 1st | 27 |
| +150 | Alma-Lund B (F) 1st | 27 |
| +150 | Alma-Lund C (F) 1st | 27 |
| +150 | Alma-Lund D (F) 1st | 27 |
| +150 | Alma-Lund E (F) 1st | 27 |
| +150 | Alma-Lund F (F) 1st | 27 |
| +150 | Alma-Lund G (F) 1st | 27 |
| +150 | Alma-Lund H (F) 1st | 27 |
| +150 | Alma-Lund I (F) 1st | 27 |
| +150 | Alma-Lund J (F) 1st | 27 |
| +150 | Alma-Lund K (F) 1st | 27 |
| +150 | Alma-Lund L (F) 1st | 27 |
| +150 | Alma-Lund M (F) 1st | 27 |
| +150 | Alma-Lund N (F) 1st | 27 |
| +150 | Alma-Lund O (F) 1st | 27 |
| +150 | Alma-Lund P (F) 1st | 27 |
| +150 | Alma-Lund Q (F) 1st | 27 |
| +150 | Alma-Lund R (F) 1st | 27 |
| +150 | Alma-Lund S (F) 1st | 27 |
| +150 | Alma-Lund T (F) 1st | 27 |
| +150 | Alma-Lund U (F) 1st | 27 |
| +150 | Alma-Lund V (F) 1st | 27 |
| +150 | Alma-Lund W (F) 1st | 27 |
| +150 | Alma-Lund X (F) 1st | 27 |
| +150 | Alma-Lund Y (F) 1st | 27 |
| +150 | Alma-Lund Z (F) 1st | 27 |
| +150 | Alma-Lund AA (F) 1st | 27 |
| +150 | Alma-Lund AB (F) 1st | 27 |
| +150 | Alma-Lund AC (F) 1st | 27 |
| +150 | Alma-Lund AD (F) 1st | 27 |
| +150 | Alma-Lund AE (F) 1st | 27 |
| +150 | Alma-Lund AF (F) 1st | 27 |
| +150 | Alma-Lund AG (F) 1st | 27 |
| +150 | Alma-Lund AH (F) 1st | 27 |
| +150 | Alma-Lund AI (F) 1st | 27 |
| +150 | Alma-Lund AJ (F) 1st | 27 |
| +150 | Alma-Lund AK (F) 1st | 27 |
| +150 | Alma-Lund AL (F) 1st | 27 |
| +150 | Alma-Lund AM (F) 1st | 27 |
| +150 | Alma-Lund AN (F) 1st | 27 |
| +150 | Alma-Lund AO (F) 1st | 27 |
| +150 | Alma-Lund AP (F) 1st | 27 |
| +150 | Alma-Lund AQ (F) 1st | 27 |
| +150 | Alma-Lund AR (F) 1st | 27 |
| +150 | Alma-Lund AS (F) 1st | 27 |
| +150 | Alma-Lund AT (F) 1st | 27 |
| +150 | Alma-Lund AU (F) 1st | 27 |
| +150 | Alma-Lund AV (F) 1st | 27 |
| +150 | Alma-Lund AW (F) 1st | 27 |
| +150 | Alma-Lund AX (F) 1st | 27 |
| +150 | Alma-Lund AY (F) 1st | 27 |
| +150 | Alma-Lund AZ (F) 1st | 27 |
| +150 | Alma-Lund BA (F) 1st | 27 |
| +150 | Alma-Lund BB (F) 1st | 27 |
| +150 | Alma-Lund BC (F) 1st | 27 |
| +150 | Alma-Lund BD (F) 1st | 27 |
| +150 | Alma-Lund BE (F) 1st | 27 |
| +150 | Alma-Lund BF (F) 1st | 27 |
| +150 | Alma-Lund BG (F) 1st | 27 |
| +150 | Alma-Lund BH (F) 1st | 27 |
| +150 | Alma-Lund BI (F) 1st | 27 |
| +150 | Alma-Lund BJ (F) 1st | 27 |
| +150 | Alma-Lund BK (F) 1st | 27 |
| +150 | Alma-Lund BL (F) 1st | 27 |
| +150 | Alma-Lund BM (F) 1st | 27 |
| +150 | Alma-Lund BN (F) 1st | 27 |
| +150 | Alma-Lund BO (F) 1st | 27 |
| +150 | Alma-Lund BP (F) 1st | 27 |
| +150 | Alma-Lund BQ (F) 1st | 27 |
| +150 | Alma-Lund BR (F) 1st | 27 |
| +150 | Alma-Lund BS (F) 1st | 27 |
| +150 | Alma-Lund BT (F) 1st | 27 |
| +150 | Alma-Lund BU (F) 1st | 27 |
| +150 | Alma-Lund BV (F) 1st | 27 |
| +150 | Alma-Lund BW (F) 1st | 27 |
| +150 | Alma-Lund BX (F) 1st | 27 |
| +150 | Alma-Lund BY (F) 1st | 27 |
| +150 | Alma-Lund BZ (F) 1st | 27 |
| +150 | Alma-Lund CA (F) 1st | 27 |
| +150 | Alma-Lund CB (F) 1st | 27 |
| +150 | Alma-Lund CC (F) 1st | 27 |
| +150 | Alma-Lund CD (F) 1st | 27 |
| +150 | Alma-Lund CE (F) 1st | 27 |
| +150 | Alma-Lund CF (F) 1st | 27 |
| +150 | Alma-Lund CG (F) 1st | 27 |
| +150 | Alma-Lund CH (F) 1st | 27 |
| +150 | Alma-Lund CI (F) 1st | 27 |
| +150 | Alma-Lund CJ (F) 1st | 27 |
| +150 | Alma-Lund CK (F) 1st | 27 |
| +150 | Alma-Lund CL (F) 1st | 27 |
| +150 | Alma-Lund CM (F) 1st | 27 |
| +150 | Alma-Lund CN (F) 1st | 27 |
| +150 | Alma-Lund CO (F) 1st | 27 |
| +150 | Alma-Lund CP (F) 1st | 27 |
| +150 | Alma-Lund CQ (F) 1st | 27 |
| +150 | Alma-Lund CR (F) 1st | 27 |
| +150 | Alma-Lund CS | |

| SWITZERLAND | | |
|-------------|----------------------|-----|
| | September 21 | Frs |
| +216 | Adia (F) 1st | 946 |
| +150 | De. Pig. Paris | 89 |
| +150 | Alma-Lund B (F) 1st | 89 |
| +150 | Alma-Lund C (F) 1st | 89 |
| +150 | Alma-Lund D (F) 1st | 89 |
| +150 | Alma-Lund E (F) 1st | 89 |
| +150 | Alma-Lund F (F) 1st | 89 |
| +150 | Alma-Lund G (F) 1st | 89 |
| +150 | Alma-Lund H (F) 1st | 89 |
| +150 | Alma-Lund I (F) 1st | 89 |
| +150 | Alma-Lund J (F) 1st | 89 |
| +150 | Alma-Lund K (F) 1st | 89 |
| +150 | Alma-Lund L (F) 1st | 89 |
| +150 | Alma-Lund M (F) 1st | 89 |
| +150 | Alma-Lund N (F) 1st | 89 |
| +150 | Alma-Lund O (F) 1st | 89 |
| +150 | Alma-Lund P (F) 1st | 89 |
| +150 | Alma-Lund Q (F) 1st | 89 |
| +150 | Alma-Lund R (F) 1st | 89 |
| +150 | Alma-Lund S (F) 1st | 89 |
| +150 | Alma-Lund T (F) 1st | 89 |
| +150 | Alma-Lund U (F) 1st | 89 |
| +150 | Alma-Lund V (F) 1st | 89 |
| +150 | Alma-Lund W (F) 1st | 89 |
| +150 | Alma-Lund X (F) 1st | 89 |
| +150 | Alma-Lund Y (F) 1st | 89 |
| +150 | Alma-Lund Z (F) 1st | 89 |
| +150 | Alma-Lund AA (F) 1st | 89 |
| +150 | Alma-Lund AB (F) 1st | 89 |
| +150 | Alma-Lund AC (F) 1st | 89 |
| +150 | Alma-Lund AD (F) 1st | 89 |
| +150 | Alma-Lund AE (F) 1st | 89 |
| +150 | Alma-Lund AF (F) 1st | 89 |
| +150 | Alma-Lund AG (F) 1st | 89 |
| +150 | Alma-Lund AH (F) 1st | 89 |
| +150 | Alma-Lund AI (F) 1st | 89 |
| +150 | Alma-Lund AJ (F) 1st | 89 |
| +150 | Alma-Lund AK (F) 1st | 89 |
| +150 | Alma-Lund AL (F) 1st | 89 |
| +150 | Alma-Lund AM (F) 1st | 89 |
| +150 | Alma-Lund AN (F) 1st | 89 |
| +150 | Alma-Lund AO (F) 1st | 89 |
| +150 | Alma-Lund AP (F) 1st | 89 |
| +150 | Alma-Lund AQ (F) 1st | 89 |
| +150 | Alma-Lund AR (F) 1st | 89 |
| +150 | Alma-Lund AS (F) 1st | 89 |
| +150 | Alma-Lund AT (F) 1st | 89 |
| +150 | Alma-Lund AU (F) 1st | 89 |
| +150 | Alma-Lund AV (F) 1st | 89 |
| +150 | Alma-Lund AW (F) 1st | 89 |
| +150 | Alma-Lund AX (F) 1st | 89 |
| +150 | Alma-Lund AY (F) 1st | 89 |
| +150 | Alma-Lund AZ (F) 1st | 89 |
| +150 | Alma-Lund BA (F) 1st | 89 |
| +150 | Alma-Lund BB (F) 1st | 89 |
| +150 | Alma-Lund BC (F) 1st | 89 |
| +150 | Alma-Lund BD (F) 1st | 89 |
| +150 | Alma-Lund BE (F) 1st | 89 |
| +150 | Alma-Lund BF (F) 1st | 89 |
| +150 | Alma-Lund BG (F) 1st | 89 |
| +150 | Alma-Lund BH (F) 1st | 89 |
| +150 | Alma-Lund BI (F) 1st | 89 |
| +150 | Alma-Lund BJ (F) 1st | 89 |
| +150 | Alma-Lund BK (F) 1st | 89 |
| +150 | Alma-Lund BL (F) 1st | 89 |
| +150 | Alma-Lund BM (F) 1st | 89 |
| +150 | Alma-Lund BN (F) 1st | 89 |
| +150 | Alma-Lund BO (F) 1st | 89 |
| +150 | Alma-Lund BP (F) 1st | 89 |
| +150 | Alma-Lund BQ (F) 1st | 89 |
| +150 | Alma-Lund BR (F) 1st | 89 |
| +150 | Alma-Lund BS (F) 1st | 89 |
| +150 | Alma-Lund BT (F) 1st | 89 |
| +150 | Alma-Lund BU (F) 1st | 89 |
| +150 | Alma-Lund BV (F) 1st | 89 |
| +150 | Alma-Lund BW (F) 1st | 89 |
| +150 | Alma-Lund BX (F) 1st | 89 |
| +150 | Alma-Lund BY (F) 1st | 89 |
| +150 | Alma-Lund BZ (F) 1st | 89 |
| +150 | Alma-Lund CA (F) 1st | 89 |
| +150 | Alma-Lund CB (F) 1st | 89 |
| +150 | Alma-Lund CC (F) 1st | 89 |
| +150 | Alma-Lund CD (F) 1st | 89 |
| +150 | Alma-Lund CE (F) 1st | 89 |
| +150 | Alma-Lund CF (F) 1st | 89 |
| +150 | Alma-Lund CG (F) 1st | 89 |
| +150 | Alma-Lund CH (F) 1st | 89 |
| +150 | Alma-Lund CI (F) 1st | 89 |
| +150 | Alma-Lund CJ (F) 1st | 89 |
| +150 | Alma-Lund CK (F) 1st | 89 |
| +150 | Alma-Lund CL (F) 1st | 89 |
| +150 | Alma-Lund CM (F) 1st | 89 |
| +150 | Alma-Lund CN (F) 1st | 89 |
| +150 | Alma-Lund CO (F) 1st | 89 |
| +150 | Alma-Lund CP (F) 1st | 89 |
| +150 | Alma-Lund CQ (F) 1st | 89 |
| +150 | Alma-Lund CR (F) 1st | 89 |
| +150 | Alma-Lund CS | |

[illegible][illegible][illegible][illegible][illegible]

INDICES

| NEW YORK DOW JONES | | | | | 1990 | | Since con |
|-----------------------|-------------|-------------|-------------|-------------|---------|---------|-----------|
| | Sept. 20 | Sept. 18 | Sept. 18 | Sept. 17 | HIGH | LOW | HIGH |
| Materials | 2518.32 | 2557.43 | 2571.28 | 2567.30 | 2999.75 | 2483.42 | 2999.75 |
| House Bonds | 89.26 | 89.26 | 89.11 | 89.30 | 0.67/7 | 0.23/8 | 0.67/7/8 |
| Transport | 879.99 | 888.31 | 901.44 | 887.94 | 93.04 | 82.25 | |
| Utilities | 2001.33 | 2011.52 | 2002.51 | 1999.09 | 1212.77 | 861.31 | 1332.01 |
| | | | | | 4.81 | 2.23 | 57/8/8 |
| | | | | | 23 3/8 | 19 1/8 | 24 1/8 |
| | | | | | 0.21/1 | 0.24/8 | |

| STANDARD AND POOR'S | | | | 40's High 29.00 29.00 Low 29.00 | | |
|---------------------|--------|--------|--------|---------------------------------|------------------|------------------|
| Composite | 311.68 | 316.60 | 318.60 | 317.77 | 318.95 (0.67) | 318.95 (0.67) |
| Industrial | 322.68 | 324.05 | 326.71 | 325.83 | 327.32 (0.67) | 327.32 (0.67) |
| Financial | 326.01 | 328.55 | 328.77 | 322.90 | 319.97 (0.03) | 321.94 (0.03) |
| NYSE Composite | 171.22 | 173.01 | 174.88 | 174.62 | 169.18 (0.67) | 201.13 (0.67) |
| Average Mkt. Value | 317.18 | 318.97 | 319.69 | 321.71 | 322.45 (0.67) | 317.03 (0.67) |
| NASDAQ Composite | 364.43 | 371.65 | 372.21 | 374.11 | 369.60 (0.67) | 350.22 (0.67) |

| | Sept 14 | Sept 7 | Aug 24 | year ago (m) |
|-----------------------------|---------|---------|--------|--------------|
| Dow Industrial Div. Yield | 3.95 | 3.86 | 4.29 | 3.76 |
| | Sept 19 | Sept 12 | Sept 8 | year ago (m) |
| S & P Industrial div. yield | 3.29 | 3.28 | 3.24 | 2.81 |
| S & P Indl. P/E ratio | 15.12 | 15.44 | 15.07 | 14.49 |

| NEW YORK ACTIVE STOCKS | | | | TRADING ACTIVITY | | |
|------------------------|---------------|---------------|---------------|------------------|----------|----------|
| Thursday | Stocks traded | Closing price | Change on day | ↑ Volume | Sept. 20 | Sept. 19 |
| Gen Electric | 3,300,100 | 55 1/2 | - 3/4 | New York | 145,100 | 147,500 |
| Exxon | 2,636,700 | 22 1/2 | - 1/4 | Amex | 9,900 | 8,300 |
| Pfizer | 2,139,400 | 45 | - 1/4 | NASDAQ | 107,520 | 120,857 |
| Walling Mass | 1,852,700 | 25 1/4 | - 1 1/2 | Issues Traded | 1,372 | 1,066 |
| West Bank | 1,750,100 | 61 | - 1 | Rise | 1,243 | 577 |
| Exxon | 1,741,400 | 51 1/2 | - 1/4 | Falls | 1,044 | 911 |
| Am Gen Cos | 1,669,300 | 32 1/2 | - 1/4 | Unchanged | 644 | 187 |
| Wal-Mart Stores | 1,593,500 | 34 | - 3/4 | New High | 6 | 19 |
| United Int | 1,578,200 | 14 | - 1/4 | New Low | 299 | 139 |
| Am Gen Cos | 1,336,100 | 18 1/4 | - 1/4 | | | |

| | Sept 23 | Sept 18 | Sept 12 | Sept 17 | 1989 HIGH | LOW |
|-------------------|------------|------------|------------|------------|---------------|---------|
| Metals & Minerals | 3034.39 | 3079.30 | 3062.06 | 3034.67 | 3453.05 (4/7) | 2850.00 |
| Composite | 3256.36 | 3273.58 | 3266.69 | 3262.00 | 4009.47 (3/1) | 3253.68 |

| | Sept. | Sept. | Sept. | Sept. | 10 | 1993 | |
|----|------------------------------------|---------|---------|---------|---------|----------------|----------------|
| | | | | | | | |
| 22 | AUTRILIAS Ati Gherardo (L/2/80) | 1451.8 | 1469.6 | 1453.7 | 1462.3 | 1733.7 (2/87) | 1438.8 (2/78) |
| 27 | | 713.9 | 727.8 | 728.8 | 729.2 | 888.0 (2/87) | 713.7 (2/77) |
| 30 | AUTVITA Auti Aloisio (2/2/80) | 435.3 | 426.6 | 426.6 | 426.6 | 783.2 (2/87) | 425.3 (2/78) |
| 32 | BALEARENES Baile Baile (2/2/80) | 521.1 | 526.6 | 523.27 | 527.47 | 697.43 (2/87) | 521.3 (2/78) |
| 33 | BARCELONA Barcelon (2/2/80) | 342.6 | 348.24 | 343.4 | 343.4 | 388.29 (2/87) | 342.6 (2/78) |
| 34 | BARCELONA Barcelon (2/2/80) | 409.7 | 404.3 | 405.4 | 405.4 | 677.3 (2/87) | 409.7 (2/78) |
| 35 | BARCELONA Barcelon (2/2/80) | 428.3 | 428.76 | 430.32 | 428.36 | 544.82 (2/87) | 427.98 (2/78) |
| 36 | BARCELONA Barcelon (2/2/80) | 345.53 | 346.64 | 347.28 | 347.15 | 524.55 (2/87) | 345.53 (2/78) |
| 37 | BARCELONA Barcelon (2/2/80) | 611.1 | 627.7 | 634.66 | 634.6 | 832.32 (2/87) | 611.1 (2/78) |
| 38 | BARCELONA Barcelon (2/2/80) | 173.8 | 169.77 | 168.3 | 168.5 | 344.5 (2/87) | 173.3 (2/78) |
| 39 | BARCELONA Barcelon (2/2/80) | 344.57 | 344.51 | 345.24 | 345.27 | 344.55 (2/87) | 344.57 (2/78) |
| 40 | BARCELONA Barcelon (2/2/80) | 268.8 | 269.54 | 268.5 | 268.5 | 330.87 (2/87) | 268.8 (2/78) |
| 41 | BARCELONA Barcelon (2/2/80) | 1362.83 | 1363.85 | 1363.76 | 1363.66 | 1953.38 (2/87) | 1362.83 (2/78) |
| 42 | BARCELONA Barcelon (2/2/80) | 582.39 | 572.22 | 580.6 | 580.6 | 763.32 (2/87) | 582.39 (2/78) |
| 43 | BARCELONA Barcelon (2/2/80) | 2577.85 | 2582.98 | 2576.17 | 2580.82 | 3528.98 (2/87) | 2582.98 (2/78) |
| 44 | BARCELONA Barcelon (2/2/80) | 1749.77 | 1747.77 | 1749.72 | 1813.39 | 2867.76 (2/87) | 1749.77 (2/78) |
| 45 | BARCELONA Barcelon (2/2/80) | 3242.49 | 3242.54 | 3247.24 | 3247.24 | 3333.76 (2/87) | 3242.49 (2/78) |
| 46 | BARCELONA Barcelon (2/2/80) | 290.2 | 288.93 | 292.38 | 293.43 | 632.22 (2/87) | 290.2 (2/78) |
| 47 | BARCELONA Barcelon (2/2/80) | 396.1 | 391.1 | 393.3 | 393.3 | 717.1 (2/87) | 396.1 (2/78) |
| 48 | BARCELONA Barcelon (2/2/80) | 175.5 | 174.7 | 176.5 | 176.5 | 281.3 (2/87) | 175.5 (2/78) |
| 49 | BARCELONA Barcelon (2/2/80) | 875.3 | 875.35 | 884.77 | 875.7 | 1053.33 (2/87) | 875.37 (2/78) |
| 50 | BARCELONA Barcelon (2/2/80) | 626.26 | 643.91 | 625.51 | 625.91 | 1048.70 (2/87) | 625.39 (2/78) |
| 51 | BARCELONA Barcelon (2/2/80) | 332.9 | 333.89 | 333.65 | 334.78 | 446.37 (2/87) | 332.96 (2/78) |
| 52 | BARCELONA Barcelon (2/2/80) | 1498.89 | 1497.8 | 1486.8 | 1538.0 | 2208.0 (2/87) | 1498.89 (2/78) |
| 53 | BARCELONA Barcelon (2/2/80) | 367.09 | 367.09 | 367.09 | 367.09 | 367.09 (2/87) | 367.09 (2/78) |
| 54 | BARCELONA Barcelon (2/2/80) | 394.66 | 394.19 | 392.88 | 393.62 | 738.82 (2/87) | 394.27 (2/78) |
| 55 | BARCELONA Barcelon (2/2/80) | 281.26 | 281.34 | 283.85 | 284.76 | 381.74 (2/87) | 281.26 (2/78) |
| 56 | BARCELONA Barcelon (2/2/80) | 351.26 | 350.74 | 351.1 | 350.95 | 438.9 (2/87) | 351.26 (2/78) |
| 57 | BARCELONA Barcelon (2/2/80) | 649.1 | 625.5 | 622.7 | 624.9 | 755.3 (2/87) | 649.1 (2/78) |
| 58 | BARCELONA Barcelon (2/2/80) | 311.48 | 306.32 | 309.27 | 309.48 | 3495.34 (2/87) | 311.48 (2/78) |
| 59 | BARCELONA Barcelon (2/2/80) | 657.35 | 657.35 | 658.63 | 657.35 | 1163.78 (2/87) | 657.35 (2/78) |

[illegible][illegible]

| | | | | | | |
|--|---------|---------|---------|---------|-------------|--------------|
| MONTREAL Portfolio | 1715.54 | 1726.13 | 1714.52 | 1708.08 | 2004.90 C/3 | 1698.67 C/4P |
| Base values of all indices are 100 except NYSE All Common - 50; Standard and Poor's - 10; and Toronto Composite and Nikkei - 1000. Toronto Index based 1975 and Montreal Portfolio 4/1/1980. | | | | | | |
| 1, 2, 3, Excluding branch's industrial, plus Utilities, Financial and Transportation. C, Closed, U, Unavailable, J, Jeune-laide. | | | | | | |

[illegible]

Dow stabilises as traders adjust positions

Among blue chips, IBM dropped 2% to \$157.4. General Electric fell 1% to \$55.5. Coca Cola dipped 3% to \$39.4 and Du Pont fell 3% to \$34.4.

TORONTO stocks were steady at lower levels, with investors skidded during the expiry of stock options and stock index futures and options.

The composite index lost 14.4 to 3,242.0 on volume of 15.9m shares. Declines led advances by 234 to 161.

Energy Surprises bounced C\$4 to C\$12.4, Bramalea recovered C\$3 to C\$6.5 and Hees gained C\$2 to C\$18.6. The three companies had fallen sharply on Thursday on concern about their delays.

Paris breaks slide at start of new account

1,061.1, a low for the year and a loss of 5.6 per cent on the week. Erickson free B shares dropped SKR15 to SKR211, nearly 10 per cent, taking following its one-for-five share split.

ZURICH fell to another low for the year in this volume in spite of options-related buying. The Credit Suisse index eased 2.3 to 512.1, down 4.2 per cent on the week.

VIENNA continued to plunge, reaching another year's low on the bourse index at 4,000.4, down 4.95 on the day and 11 per cent on the week.

OSLO declined in uncertain trading, with the all-share index losing 9.01 to 578.41.

MADRID reached another year's low in this trade, with the general index falling 2.84 to 221.30 for a loss of 4.8 per cent on the week.

ISTANBUL fell 41.40 to 5,160.40, a 12.11 per cent loss, as the Istanbul Festival, a subsidiary of Polly Peck International which was suspended in London on Thursday, fell TL150 to TL12,750.

Window-dressing lifts Nikkei off 1990 low

NEW ZEALAND saw the Barclays index close 26.36 lower at 1,508.50, for a 1.9 per cent decline on the week.

Turnover jumped from NZ\$4.4m to NZ\$17.5m, reflecting the offer by Sir Robt. Jones, chairman of the property development company Robt Jones Investments, to buy 10m RIL shares to halt their recent plunge. The shares had slid by a fifth in a fortnight. After the offer at 70 cents was filled, they fell to close at 66 cents, up 1 cent on the day, in turnover of 10.7m shares.

BANGKOK ended its month with the SET index at 1,057.10, down 9.40 at a 12-month average of 637.95. The index plunged 16 per cent during the week.

MANILA ended a volatile week on the downturn, the composite index falling 17.65 or 2.7 per cent to 626.26, down 2.5 per cent on the week.

HONG KONG was pushed lower by Wm. Strutt's tumble. The Hang Seng index losing 52.65 or 1.9 per cent to 2,381.85, 4.3 per cent lower on the week as turnover rose from HK\$430m to HK\$620m.

SINGAPORE'S Straits Times Industrial index suffered its seventh straight decline, dropping 17.90 or 1.1 per cent, for a 5.4 per cent fall in the week.

BOMBAY rallied on buying from Calcutta and state-owned mutual funds. The BSE index shot up 57.30 to 1,389.03. The decision to reduce daily margins to 20 per cent from 40 per cent also cheered sentiment.

JOHANNESBURG steadied after a nervous week as a rise in bullion prices lent support. The all-gold index slipped 5 to 1,492, a 4.5 per cent fall on the week, and the all-share index eased 4 to 2,717. De Beers rose 75 cents to R71.

Deborah Hargreaves sees a number of anomalies

the equity market. UK fixed income investment has been low and getting much lower for what is seen as 10 years. "We need fund managers to say 'we can't afford to be so underweight in bonds' to see a significant amount of money flowing into the gilts market," believes Mr Guy Rigden, strategist at UBS Phillips & Drew. However, he stresses that any movement in this direction is too recent to be called a trend. The move towards stagnation and a possible recession in

The graph displays the number of prescriptions filled for cholesterol-lowering drugs in the US and UK from 1986 to 1990. The Y-axis represents the number of prescriptions, ranging from 160 to 400. The X-axis represents the years. The US data (thick line) shows a sharp increase from 1986 to a peak in 1987, followed by a decline and then a slight recovery. The UK data (thin line) shows a more gradual and steady increase over the same period.

| Year | US (Prescriptions) | UK (Prescriptions) |
|------|--------------------|--------------------|
| 1986 | ~240 | ~180 |
| 1987 | ~340 | ~220 |
| 1988 | ~240 | ~200 |
| 1989 | ~250 | ~210 |
| 1990 | ~230 | ~220 |

Source: Pharmacia & Upjohn

S

K

988 **1989** **1990**

Source: Phillips & Drew

the UK is bad news for equities and could be a more positive development for the bond market. "But it is difficult to make a case for buying either," says Mr Peter Spencer, gilt analyst at Shearson Lehman in London: "the best value could now lie elsewhere."

Mr Spencer believes investors would be better off in putting their money into short-term currencies and short maturity bonds, since he does not think there will be any favourable movement in bond markets for the next three to six months. After that, the US T-bond market could lead the way upwards, followed by the Japanese bond market if an expected slowdown in Japan's economy materialises.

In Europe, the market for French OAT 10-year bonds could attract more foreign buying following its recent sell-off. Foreign investors had piled into French equities and bonds on the back of the economy's strength. But they were quick to retreat once world markets started to look shaky.

LONDON SHARE SERVICE

| BRITISH FUNDS | 1990 High | Low | Stock | Price | % Chg | Yield | BRITISH FUNDS - Contd | 1990 High | Low | Stock | Price | % Chg | Yield | AMERICANS - Contd | 1990 High | Low | Stock | Price | % Chg | Yield |
|-----------------------------------|--------------|------|-------|-------|-------|-------|-----------------------|--------------|-------|-------|-------|-------|-------|-------------------|--------------|-------|-------|-------|-------|-------|
| | | | | | | | | | | | | | | | | | | | | |
| "Shorts" (Lives up to Five Years) | | | | | | | Index-Linked | | | | | | | | | | | | | |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 121.0 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 121.0 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 111.0 | 105.4 | 105.4 | 105.4 | 105.4 | 105.4 | 105.4 | 111.0 | 105.4 | 105.4 | 105.4 | 105.4 | 105.4 | 105.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 112.0 | 106.4 | 106.4 | 106.4 | 106.4 | 106.4 | 106.4 | 112.0 | 106.4 | 106.4 | 106.4 | 106.4 | 106.4 | 106.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 113.0 | 107.4 | 107.4 | 107.4 | 107.4 | 107.4 | 107.4 | 113.0 | 107.4 | 107.4 | 107.4 | 107.4 | 107.4 | 107.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 114.0 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 114.0 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 115.0 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 | 115.0 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 116.0 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 116.0 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 | 110.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 117.0 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 | 117.0 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 118.0 | 112.4 | 112.4 | 112.4 | 112.4 | 112.4 | 112.4 | 118.0 | 112.4 | 112.4 | 112.4 | 112.4 | 112.4 | 112.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 119.0 | 113.4 | 113.4 | 113.4 | 113.4 | 113.4 | 113.4 | 119.0 | 113.4 | 113.4 | 113.4 | 113.4 | 113.4 | 113.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 120.0 | 114.4 | 114.4 | 114.4 | 114.4 | 114.4 | 114.4 | 120.0 | 114.4 | 114.4 | 114.4 | 114.4 | 114.4 | 114.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 121.0 | 115.4 | 115.4 | 115.4 | 115.4 | 115.4 | 115.4 | 121.0 | 115.4 | 115.4 | 115.4 | 115.4 | 115.4 | 115.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 122.0 | 116.4 | 116.4 | 116.4 | 116.4 | 116.4 | 116.4 | 122.0 | 116.4 | 116.4 | 116.4 | 116.4 | 116.4 | 116.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 123.0 | 117.4 | 117.4 | 117.4 | 117.4 | 117.4 | 117.4 | 123.0 | 117.4 | 117.4 | 117.4 | 117.4 | 117.4 | 117.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 124.0 | 118.4 | 118.4 | 118.4 | 118.4 | 118.4 | 118.4 | 124.0 | 118.4 | 118.4 | 118.4 | 118.4 | 118.4 | 118.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 125.0 | 119.4 | 119.4 | 119.4 | 119.4 | 119.4 | 119.4 | 125.0 | 119.4 | 119.4 | 119.4 | 119.4 | 119.4 | 119.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 126.0 | 120.4 | 120.4 | 120.4 | 120.4 | 120.4 | 120.4 | 126.0 | 120.4 | 120.4 | 120.4 | 120.4 | 120.4 | 120.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 127.0 | 121.4 | 121.4 | 121.4 | 121.4 | 121.4 | 121.4 | 127.0 | 121.4 | 121.4 | 121.4 | 121.4 | 121.4 | 121.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 128.0 | 122.4 | 122.4 | 122.4 | 122.4 | 122.4 | 122.4 | 128.0 | 122.4 | 122.4 | 122.4 | 122.4 | 122.4 | 122.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 129.0 | 123.4 | 123.4 | 123.4 | 123.4 | 123.4 | 123.4 | 129.0 | 123.4 | 123.4 | 123.4 | 123.4 | 123.4 | 123.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 130.0 | 124.4 | 124.4 | 124.4 | 124.4 | 124.4 | 124.4 | 130.0 | 124.4 | 124.4 | 124.4 | 124.4 | 124.4 | 124.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 131.0 | 125.4 | 125.4 | 125.4 | 125.4 | 125.4 | 125.4 | 131.0 | 125.4 | 125.4 | 125.4 | 125.4 | 125.4 | 125.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 132.0 | 126.4 | 126.4 | 126.4 | 126.4 | 126.4 | 126.4 | 132.0 | 126.4 | 126.4 | 126.4 | 126.4 | 126.4 | 126.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 133.0 | 127.4 | 127.4 | 127.4 | 127.4 | 127.4 | 127.4 | 133.0 | 127.4 | 127.4 | 127.4 | 127.4 | 127.4 | 127.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 134.0 | 128.4 | 128.4 | 128.4 | 128.4 | 128.4 | 128.4 | 134.0 | 128.4 | 128.4 | 128.4 | 128.4 | 128.4 | 128.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 135.0 | 129.4 | 129.4 | 129.4 | 129.4 | 129.4 | 129.4 | 135.0 | 129.4 | 129.4 | 129.4 | 129.4 | 129.4 | 129.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 136.0 | 130.4 | 130.4 | 130.4 | 130.4 | 130.4 | 130.4 | 136.0 | 130.4 | 130.4 | 130.4 | 130.4 | 130.4 | 130.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 137.0 | 131.4 | 131.4 | 131.4 | 131.4 | 131.4 | 131.4 | 137.0 | 131.4 | 131.4 | 131.4 | 131.4 | 131.4 | 131.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 138.0 | 132.4 | 132.4 | 132.4 | 132.4 | 132.4 | 132.4 | 138.0 | 132.4 | 132.4 | 132.4 | 132.4 | 132.4 | 132.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 139.0 | 133.4 | 133.4 | 133.4 | 133.4 | 133.4 | 133.4 | 139.0 | 133.4 | 133.4 | 133.4 | 133.4 | 133.4 | 133.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 140.0 | 134.4 | 134.4 | 134.4 | 134.4 | 134.4 | 134.4 | 140.0 | 134.4 | 134.4 | 134.4 | 134.4 | 134.4 | 134.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 141.0 | 135.4 | 135.4 | 135.4 | 135.4 | 135.4 | 135.4 | 141.0 | 135.4 | 135.4 | 135.4 | 135.4 | 135.4 | 135.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 142.0 | 136.4 | 136.4 | 136.4 | 136.4 | 136.4 | 136.4 | 142.0 | 136.4 | 136.4 | 136.4 | 136.4 | 136.4 | 136.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 143.0 | 137.4 | 137.4 | 137.4 | 137.4 | 137.4 | 137.4 | 143.0 | 137.4 | 137.4 | 137.4 | 137.4 | 137.4 | 137.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 144.0 | 138.4 | 138.4 | 138.4 | 138.4 | 138.4 | 138.4 | 144.0 | 138.4 | 138.4 | 138.4 | 138.4 | 138.4 | 138.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 145.0 | 139.4 | 139.4 | 139.4 | 139.4 | 139.4 | 139.4 | 145.0 | 139.4 | 139.4 | 139.4 | 139.4 | 139.4 | 139.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 146.0 | 140.4 | 140.4 | 140.4 | 140.4 | 140.4 | 140.4 | 146.0 | 140.4 | 140.4 | 140.4 | 140.4 | 140.4 | 140.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 147.0 | 141.4 | 141.4 | 141.4 | 141.4 | 141.4 | 141.4 | 147.0 | 141.4 | 141.4 | 141.4 | 141.4 | 141.4 | 141.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 148.0 | 142.4 | 142.4 | 142.4 | 142.4 | 142.4 | 142.4 | 148.0 | 142.4 | 142.4 | 142.4 | 142.4 | 142.4 | 142.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 149.0 | 143.4 | 143.4 | 143.4 | 143.4 | 143.4 | 143.4 | 149.0 | 143.4 | 143.4 | 143.4 | 143.4 | 143.4 | 143.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 150.0 | 144.4 | 144.4 | 144.4 | 144.4 | 144.4 | 144.4 | 150.0 | 144.4 | 144.4 | 144.4 | 144.4 | 144.4 | 144.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 151.0 | 145.4 | 145.4 | 145.4 | 145.4 | 145.4 | 145.4 | 151.0 | 145.4 | 145.4 | 145.4 | 145.4 | 145.4 | 145.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 152.0 | 146.4 | 146.4 | 146.4 | 146.4 | 146.4 | 146.4 | 152.0 | 146.4 | 146.4 | 146.4 | 146.4 | 146.4 | 146.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 153.0 | 147.4 | 147.4 | 147.4 | 147.4 | 147.4 | 147.4 | 153.0 | 147.4 | 147.4 | 147.4 | 147.4 | 147.4 | 147.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 154.0 | 148.4 | 148.4 | 148.4 | 148.4 | 148.4 | 148.4 | 154.0 | 148.4 | 148.4 | 148.4 | 148.4 | 148.4 | 148.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 155.0 | 149.4 | 149.4 | 149.4 | 149.4 | 149.4 | 149.4 | 155.0 | 149.4 | 149.4 | 149.4 | 149.4 | 149.4 | 149.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 156.0 | 150.4 | 150.4 | 150.4 | 150.4 | 150.4 | 150.4 | 156.0 | 150.4 | 150.4 | 150.4 | 150.4 | 150.4 | 150.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 157.0 | 151.4 | 151.4 | 151.4 | 151.4 | 151.4 | 151.4 | 157.0 | 151.4 | 151.4 | 151.4 | 151.4 | 151.4 | 151.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 158.0 | 152.4 | 152.4 | 152.4 | 152.4 | 152.4 | 152.4 | 158.0 | 152.4 | 152.4 | 152.4 | 152.4 | 152.4 | 152.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 159.0 | 153.4 | 153.4 | 153.4 | 153.4 | 153.4 | 153.4 | 159.0 | 153.4 | 153.4 | 153.4 | 153.4 | 153.4 | 153.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 160.0 | 154.4 | 154.4 | 154.4 | 154.4 | 154.4 | 154.4 | 160.0 | 154.4 | 154.4 | 154.4 | 154.4 | 154.4 | 154.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 161.0 | 155.4 | 155.4 | 155.4 | 155.4 | 155.4 | 155.4 | 161.0 | 155.4 | 155.4 | 155.4 | 155.4 | 155.4 | 155.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 162.0 | 156.4 | 156.4 | 156.4 | 156.4 | 156.4 | 156.4 | 162.0 | 156.4 | 156.4 | 156.4 | 156.4 | 156.4 | 156.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 163.0 | 157.4 | 157.4 | 157.4 | 157.4 | 157.4 | 157.4 | 163.0 | 157.4 | 157.4 | 157.4 | 157.4 | 157.4 | 157.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 164.0 | 158.4 | 158.4 | 158.4 | 158.4 | 158.4 | 158.4 | 164.0 | 158.4 | 158.4 | 158.4 | 158.4 | 158.4 | 158.4 |
| 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 165.0 | 159.4 | 159.4 | 1 | | | | | | | | | | |

● Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help desk on 071-925-2128

هكذا من اجل

[illegible][illegible]

Exchange dealing classifications:
Company names: A, Alpha; B, Beta, γ,
γ, Gamma; H, H; L, Lambda; M, Mu;
N, Nu; O, Omega; P, Phi; Q, Chi;
R, Rho; S, Sigma; T, Tau; U, Upsilon;
V, Nu; W, Eta; X, Xi; Y, Psi;
Z, Zeta.

[illegible]

REGIONAL & INTERNATIONAL

| IRISH | |
|-----------------|--------|
| 8% in 1991 | 590 |
| Cap Lk. 1996... | 539.30 |
| 1.5% 97/02... | £108.1 |
| notes | 180 |

TRADITION

3-month

Industrials

| | B |
|---------------|----|
| Alled-Lyons | 48 |
| estrad | 7 |
| EST | 6 |
| Boots | 45 |
| ROC Exp. | 39 |
| STR | 29 |
| Harclays | 27 |
| Life Circle | 17 |
| Boots | 21 |
| Sovatar | 41 |
| Cap Aerospac | 43 |
| British Steel | 41 |
| STR, Telecom | 22 |
| | 28 |

[illegible]

■ Allies claim Nadir is victim of smear campaign ■ Conspiracy allegations denied

Polly Peck fails to produce statement for Stock Exchange

By David Barchard and Clay Harris in London, Jim Bodgener in Ankara and Andreas Hadjipapas in Nicosia

THE BOARD of Polly Peck International, shares of which were suspended after dropping sharply on Thursday, yesterday failed to produce the statement it had promised to the Stock Exchange.

By early yesterday evening, after the board had been meeting at the company's Berkeley Square headquarters for more than three hours without producing an announcement, the Stock Exchange said it did not expect one until Monday morning.

It was still open to the embattled fruit trading and consumer electronics group to make a statement later last night or over the weekend. However, Mr Dominick Henry, head of Polly Peck investor relations, had suggested earlier that any initial statement was likely to be "wishy washy".

The board meeting, at which all directors were present, came a day after Mr Asil Nadir, Polly Peck's chairman and largest shareholder, was questioned for several hours by the Serious Fraud Office.

The interview followed a search on Wednesday night by

the SFO of the offices, elsewhere in Berkeley Square, of South Andley Management, a property company indirectly linked to Nadir family trusts.

Polly Peck shares fell from 243p to 108p on Thursday before they were suspended. News of Polly Peck's troubles, meanwhile, provoked rejoicing among Mr Nadir's enemies in Cyprus and Turkey, and angry allegations of a smear campaign from his friends, Greek Cypriots in general received the news with satisfaction, but there was no official comment from the Cyprus Government.

Greek Cypriot politicians and the press have long claimed that Mr Nadir's activities, especially his businesses in the Turkish-held north of the island, undermine the status of the internationally recognised Cyprus republic and its government.

The Cyprus Foreign Ministry set up a special department to follow Polly Peck's and Mr Nadir's operations but ministry sources scoffed at the Turkish allegation that Polly Peck's troubles were the result

of a Greek Cypriot conspiracy. Mr Nadir has close ties with Mr Rafi Denktaş, the Turkish Cypriot leader. Some opposition newspapers and politicians have expressed concern that Mr Nadir's problems could endanger the north's economy, hitting exports of citrus fruit and clothing.

His links with the mainland political establishment were recently in evidence when Mr Kenan Evren, Turkey's former president and military ruler after the 1980 coup, attended the inauguration of a holiday village complex near Kyrenia on a visit to northern Cyprus — claimed by Greek Cypriot owners but now leased to Mr Nadir for 49 years at about \$88,500 (\$27,100) a year.

In Istanbul, one banker expressed fears that the fall in the value of Polly Peck's shares could affect bank loans to the group.

One industrialist said he believed other Istanbul industrialists were behind Mr Nadir's problems. "The big Turkish industrial groups who rely on import substitution know that they could lose their



Asil Nadir: enemies in Cyprus and Turkey are rejoicing while his friends allege a smear campaign.

entire market in a few years if Polly Peck continues to grow at its present rate. I think if anyone is conducting a smear campaign to ruin Asil Nadir, it is probably being done in Istanbul."

Shares in Noble Reredon, the UK leisure group controlled by Mrs Bilge Nevzat, Mr Nadir's younger sister, recovered 6p to 43p. The company said Mrs Nevzat had bought 50,000

shares at 45p on Thursday. In later editions yesterday, reference was made to a company which makes an unofficial US market in British shares, including those of Polly Peck International. It is Cresvale International, not Cresvale Securities, a London-based investment manager with which it has no connection.

Man in the News, Page 6

Hunting time for bears

In spite of the London market's strong recovery yesterday from its early fall, the working assumption is that the worst is not yet over. The defence line of 2,100 on the FT-SE is done for; it remains to be seen whether 2,000 — momentarily breached yesterday — will take its place.

If market sentiment is to be trusted, the answer is probably not. The majority of fund managers appear to regard outright war in the Gulf as the most likely outcome. When the market is prey to this kind of doomsday apprehension, its traditional behaviour is to go into one last plunge before promptly recovering. It still seems early in the Gulf crisis to look for this kind of turning point. Nor is there evidence yet of that other traditional sign of the turn, the belief that equities are dear at any price. On the contrary, there is a solid body of opinion that says the market is fundamentally cheap, which probably means it will get cheaper.

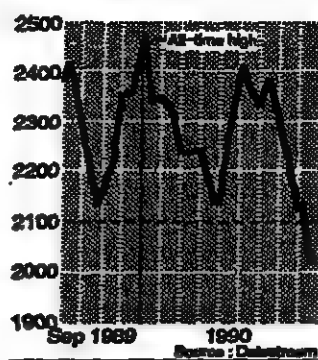
For the private investor in particular, this is not as paradoxical as it sounds. The final fall and recovery may be so rapid as to make it impossible to invest at the bottom. The index, to that extent, is a statistical irrelevance; but the professional fund manager, gripped by the necessity to match its quarter by quarter, cannot invest for fear it might go lower. At such times, the private investor has the advantage of being able to take the long view.

The best guide to fundamental value here is not the p/e ratio, since earnings forecasts have a habit of becoming particularly erratic at turning points in the economy. Earnings for the total market may or may not collapse this year or next; but it is less likely that there will be a severe fall in dividends, since companies have a certain ability to smooth their payments through the economic cycle.

The more stable measure of value is therefore the yield, or more precisely the yield ratio. At present, the yield on the All-Share index is some 5.7 per cent. It went to nearly 7 per cent in 1980, and to over 12 per cent in the bear market of 1974. But these were times of higher inflation and higher gilt yields. The yield on long gilts is now just twice the yield on equities; the ratio did not go materially lower than that in the last recession. Allow for two crucial assumptions — that dividends are not going to collapse and that inflation and gilt yields are not going to rise —

FT-SE Index 2,025.5 (+5.6)

FT-SE 100 Index



and equities are underpriced.

There is a delicate balance here. If the world's monetary authorities maintain the tough stance they have assumed so far, so much the better for inflation and so much the worse for earnings and dividends. But for the longer sighted private investor, this still looks a good time to buy shares in companies meeting three simple criteria: low debt, a long trading record and a yield above the market average.

Kleinwort Benson

There is a Middle Eastern time bomb ticking away in the offices of Kleinwort Benson. The sooner a financial bomb disposal squad is sent in the better. The device — a 29 per cent stake in Premier Consolidated Oilfields — has been clocking up financing charges of \$80,000 a day ever since Kleinwort's market-makers decided to buy the stake from Burnham Control a month and a half ago. To make matters worse, they bought at a premium, rather than the discount; and although the world oil price has risen by 45 per cent in the interim, no-one now seems to want to take the stake off their hands.

Worse again. Premier's shares have fallen by more than a fifth. If Kleinwort were to try to place the stake next week, at 75p say, it would show a loss of \$55m. If it were not the company's broker, it could seek to reduce its losses by extracting a premium from a predator. But its reputation would be ruined if it sold a corporate client down the river. After adding in financing charges, Kleinwort could face a loss equivalent to the last couple of years' dividends. Of course, it just might extricate itself from this mess. If it does

Caird Group

It had to happen. One of the newly privatised water companies needed to demonstrate that it had the right stuff to mount a hostile bid, and Severn Trent, anxious to make a name for itself, has stepped up to the plate. Its £78m bid for Caird Group is a beauty. It is offering to pay over 20 times earnings for a company with an erratic profit record which has issued a lot of paper and made over 50 acquisitions in the last three years. There may be plenty of growth left in the waste business, but Severn Trent would have done far better to be less adventurous in its first major diversification.

Waste management is a natural extension for water companies. Severn Trent has plenty of cash and can easily absorb Caird without damaging its earnings. The fact that the bid is conditional on Caird verifying an earlier profit target is not much protection. It is one thing integrating a well managed company into Severn Trent, but Caird obviously needs a lot of management attention. Equally important is the worry that it would be much easier for Severn Trent to identify any future environmental dangers lurking inside Caird, if it had its management on side.

Brent Walker

The Brent Walker share price yesterday belied the notion that the market was calming down — a fall from 185p to well below 80p, then a rise to 120p. The immediate cause was muddled information over the William Hill affair, followed by a formal statement from Brent Walker that next week's interim figures will at least match last year's \$50m before tax. Since that figure included \$35m from the sale of pubs, it seems good going, though it remains to be seen whether the company can match the \$39.5m it made in extraordinary disposals.

Until the figures proper are seen, there seems little more to be said about a share that yesterday was briefly trading at a historic p/e of substantially less than one. Not for the first time this week, the market might console itself with the reflection that those who invest in secretive entrepreneurs do so with their eyes open.

Howden to make cuts after setbacks

By James Buxton, Scottish Correspondent

HOWDEN GROUP shocked the Scottish industrial community yesterday by announcing that it is to cease heavy manufacturing at its Renfrew plant near Glasgow and make 500 UK staff redundant.

The company, which supplied tunnelling machines for the Channel tunnel, said both the power station and tunneling equipment divisions had suffered a series of setbacks: most recently a components contract for a power station in Iraq was suspended due to sanctions.

Howden is to stop making tunnelling equipment and power station components in its James Howden subsidiary at Renfrew with the loss of more than 400 jobs. Jobs will also be lost in Glasgow, Bedford in Essex, London and Belfast, where all power station engineering will be concentrated through a rationalisation of Howden Sirocco.

The announcement provoked an immediate strike yesterday by workers at Renfrew. Shop stewards said the news came as a complete surprise and they promised to fight the redundancies.

Mr Alan MacLachlan, company secretary, said Howden had been hit by five factors:

● The shelving last year of plans to build three coal-fired plants in England, affecting Howden's market for fans and pre-heat equipment.

● The move in the UK electricity industry towards combined cycle gas turbine plants which Howden is not equipped to supply.

● The uncertainty in the UK electricity industry in the run-up to flotation.

● Delays to decisions on large infrastructure projects at home

and abroad affecting the tunnelling equipment market.

● The suspension of a \$10m contract for fans and pre-heaters of the Al-Anbar oil-fired power station in Iraq because of UN sanctions. The contract would have employed 100 people at Renfrew for a year, working as subcontractors for the Beirut plant.

Mr MacLachlan said some redundancies and retrenchment would have been necessary anyway but the loss of the Iraq business was "the straw that broke the camel's back to use an unfortunate phrase."

Mr Norman Allison, director for Scottish operations, said: "The decision was reached with great regret and follows considerable debate and an in-depth review of alternatives."

The redundancies at Renfrew will take place by January, after which tunnelling equipment will be manufactured by subcontractors in Scotland and assembled at Renfrew.

Some 200 people, of whom 150 are engineers, will remain at Renfrew, where Howden will continue its marketing, engineering and research and development operations. A \$2m project to upgrade facilities at Renfrew will continue.

Howden will still employ 600 people in Scotland after the redundancies. Its worldwide workforce is 4,800, of whom 1,500 are in the UK.

Mr Gordon Brown, shadow trade and industry secretary, last night called for government action to compensate companies which lost out because of the Iraq trade embargo. He was speaking after talks with union officials and councillors at Renfrew.

any, after which tunnelling equipment will be manufactured by subcontractors in Scotland and assembled at Renfrew.

Some 200 people, of whom 150 are engineers, will remain at Renfrew, where Howden will continue its marketing, engineering and research and development operations. A \$2m project to upgrade facilities at Renfrew will continue.

Howden will still employ 600 people in Scotland after the redundancies. Its worldwide workforce is 4,800, of whom 1,500 are in the UK.

Mr Gordon Brown, shadow trade and industry secretary, last night called for government action to compensate companies which lost out because of the Iraq trade embargo. He was speaking after talks with union officials and councillors at Renfrew.

Study finds knotweed cannot be rooted out

By Anthony Moreton, Welsh Correspondent

JAPANESE knotweed, a wild plant that causes extensive damage to buildings, is here to stay, according to a study by the Welsh Development Agency (WDA).

At present, the yield on the All-Share index is some 5.7 per cent. It went to nearly 7 per cent in 1980, and to over 12 per cent in the bear market of 1974. But these were times of higher inflation and higher gilt yields. The yield on long gilts is now just twice the yield on equities; the ratio did not go materially lower than that in the last recession. Allow for two crucial assumptions — that dividends are not going to collapse and that inflation and gilt yields are not going to rise —

Japanese knotweed, or *Reynoutria japonica*, is beloved of small boys as a source of pest-shoots but is loved by no one else. It is present in full bloom, with a mop of white feathery flowers on top of the tall, thick stems which can force their way through tarmac and concrete.

The weed, imported in 1925 as an ornamental shrub, is an invader in Wales, Cornwall and many inner city areas. It spreads swiftly in cities as construction groups move soil containing knotweed roots.

Opinion is united against it. Mr Alan Bond of the Bailey Group, a leading Wales builder, said: "We put tarmac down on a site in Cardiff and it grew through it in no time. It's very costly to get rid of."

Mr Gwyn Griffiths, the WDA's director of land reclamation, said in Cardiff yesterday: "Its vigorous growth damages river banks, blocks footpaths, blights open spaces and even breaks up tarmac and paving."

The National Rivers Authority, which faces the greatest difficulty with the weed, said: "It can do enormous damage to flood defences on rivers like the Teaf, the Ebbw, the Rhymney and the Rhodfa."

Although the authority called it "an alien with no natural control mechanism," the Japanese control it by using the plant as the feeding ground for insects. No one knows if such a cure would work in Britain, but Mr Griffiths said: "We wouldn't want to bring in a parasite that would eat all our locks and defences."

Severn Trent makes hostile bid for Caird

By Andrew Belger

SEVERN TRENT, one of the largest of the UK's privatised water companies, yesterday launched a hostile £78m bid for Caird Group, the fast-growing waste disposal company which has recently suffered a sharp drop in its share price.

The bid is the most significant diversification move so far by any of the 10 water companies privatised in December, which are keen to add higher-margin activities to their core water businesses, in which profits are heavily regulated. Severn Trent, Thames, Southern, Northumbrian, Welsh and Yorkshire water companies already have waste management subsidiaries and observers expect others to follow.

Severn Trent is offering £1 for every Caird ordinary share, and 60p for every preference share. In July, Caird's ordinary shares peaked at 234p, valuing the company at \$131m, but the price began to fall rapidly ahead of the group's results.

Caird's annual results, reported at the beginning of this month, were well below market expectations, and on September 7 the shares touched a low of 65p.

Caird shares yesterday rose from 76p to the offer price after

Severn Trent announced the bid and said it had bought 5.1 per cent of the stock in the past fortnight. Severn Trent continued to buy heavily yesterday and by the close of business it was estimated to have secured up to a further 10 per cent of shares.

Severn said the acquisition of Caird would give it a significant market position in the waste management industry. Caird responded cautiously, saying it was considering the position and would keep shareholders informed.

Caird has been the fastest-growing company in waste disposal, promoting a "green" image with investors in the UK and US. Mr Peter Linscott, the group's chairman, has made 50 acquisitions since he joined Caird in 1987. Analysts believe recent profits were below forecasts because it expanded too quickly and paid too much for some of the businesses.

Severn Trent's offer is conditional on Caird again confirming its forecast that it would make pre-tax profits of \$5.5m in the 18 months to December 31. Caird said its auditor, KPMG Peat Marwick McLintock, was compiling a report on the profits outlook and the value of its landfill sites.

Thatcher in the east

Continued from Page 1

days of the trip reflected a certain gloom. It was abundantly clear that the euphoria which greeted the eastern revolutions has already dissipated into foreboding at the daunting obstacles ahead.

Mrs Thatcher's repeated insistence that privatisation and deregulation "really works" was received in awkward silence by the bureaucrats and legislators now charged with hauling their economies to the sunlit uplands of the free market.

A few Czech journalists compared the British leader's modest

encouragement, modest inflation rate and empty purse to the grandeur of President François Mitterrand's wagon train of entrepreneurs that visited only a week earlier.

Living in the shadow of the German juggernaut, it was arguable that the UK is a distant country about which they know and care little.

The tour, teed up as a make-for-TV celebration of the new Europe's boundless future, was overshadowed by war clouds in the Gulf, terrorism at home and the dreary prospect of a global recession.

When a full account of the week is taken, the Prime Minister can chalk up an undoubted personal success. If nothing else, the excited curiosity of the crowds was proof that she remains a political superstar.

Yet there was also the nagging suspicion among the more astute commentators that the tour was merely bridge building between one leader on the periphery of Europe with three similarly situated others. And that the real business of the continent was actually going on elsewhere.

A SAFE HAVEN FOR YOUR MONEY

If you are worried about the outlook for world stockmarkets, Mercury Cash Trust is a low-risk investment in the form of a unit trust. Features include:

- HIGH RATES OF INTEREST
- INVESTMENT FROM £1,000
- INCOME TAX RECOVERABLE by non-taxpayers
- EASE OF WITHDRAWAL

You should be aware that income from the trust may fluctuate.

For details, complete the coupon or call us on 071-280 2860

*Estimated gross Compound Annual Rate (CAR) as at 19.9.90 with net income re-invested and after current charges, for investors able to reclaim tax. This is paid net of basic-rate tax and is equivalent to 11.1% CAR for basic-rate taxpayers.

THE MERCURY CASH TRUST

To: Mercury Fund Managers Ltd, FREEPOST, London EC4A 4DQ. Please send me details of the Mercury Cash Trust

Surname _____

(Mr/Ms/Mrs/Ms) _____

Address _____

Postcode _____

The Manager, Mercury Fund Managers Ltd, is a member of BMO, LAUTRO and the UTA

15% CAR

MERCURY ASSET MANAGEMENT

Weekend FT

SECTION II

Weekend September 22/September 23 1990

IT IS probably just as well that the decaying RAF Vulcan bomber, parked by the side of the runway at Gibraltar's airport, was cut up for scrap since it had been pointing straight at Spain, a mere 200 metres away. The Vulcan's demise is a refreshing sign. Gibraltar is becoming less of a symbol of British military doggedness. In its place is emerging a tiny, uncertain, Mediterranean community, still incongruously bellicose, trying not to come to terms with the fact that colonies in Europe are out of place.

Traditions survive. "The smugglers? Certainly sir," says a helpful clerk at the hotel. "Just drive around to the other side and you'll see them playing with the Spanish. Sure enough, in broad daylight, two sleek launches move speedily towards Spain's beaches, before turning and skulking in safer waters. They are smuggling tobacco. In Gibraltar this is exporting. The smugglers buy tobacco legally in Gibraltar, apply for export licences, load up and rush at the beaches of next-door La Linea where the load is picked up - sometimes by crowds who have, at times, prevented Spanish police from confiscating the booty.

This is regarded as good sport by some Gibraltarians. Living under the Rock - a towering thing more than 1,300 feet high - invites a feeling of invincibility. Just a stone's throw from Africa, it is adored by Gibraltarians, owned by Britain and coveted by Spain. The ruler of this 2½ square mile hump is Joe Bossano, a blunt trade unionist assumed by his subjects to hold Spaniards in particularly low regard. That is the way they like it.

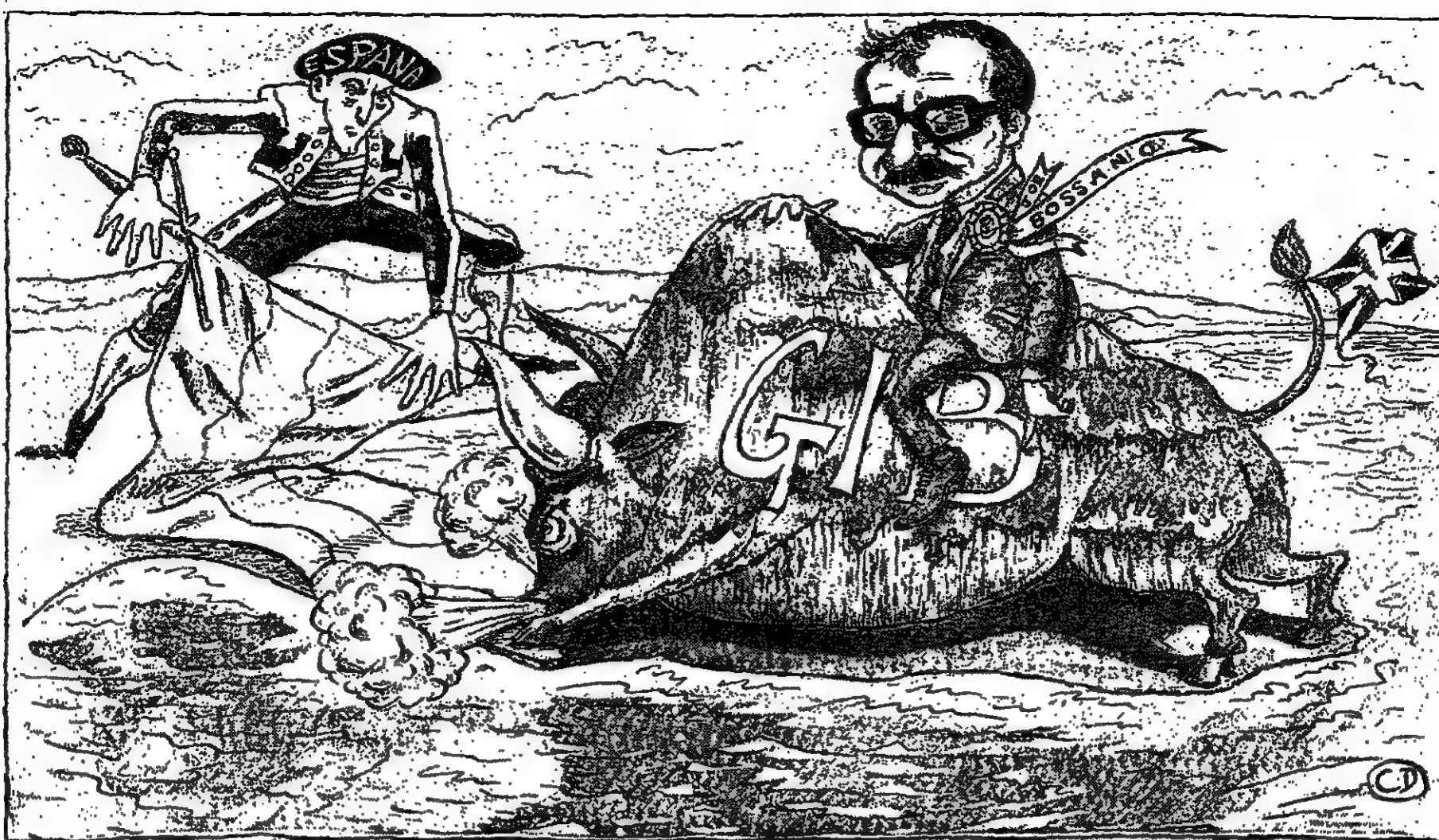
For a man with the history of every post-imperial dispute in the world at his fingertips - Belize, East Timor, Goa - the Iraqi invasion of Kuwait could not have been more timely. Why won't he talk to the Spaniards? "You might as well ask Kuwait why they don't talk to Saddam Hussein," he says with a grin. "I don't want to take over Spain. They want to take over my country."

Elected Chief Minister in 1989, for his refusal to endorse a hard-fought agreement between Britain and Spain to use the airport at Gibraltar jointly, he has also infuriated his protectors. Under the guise of a general reduction of defence commitments, Britain is not going to replace an infantry battalion of the Royal Green Jackets when its Gibraltar tour ends in the spring.

British troops have been stationed in Gibraltar since Admiral Rooke took it in 1704. Britain had intervened on the side of the Hapsburgs against the Bourbons during the War of the Spanish Succession. Under the Treaty of Utrecht, in 1713, Gibraltar was placed under British rule on condition that, if sovereignty was to be transferred, Spain would have first refusal.

Ever since, the Rock has been a beleaguered relations between Britain and Spain. General Franco, Spain's dictator after the Spanish Civil War, let the island's status remain until the 1950s when, prodded on by the United Nations, he sent Dr Fernando Maria Castiella, his Foreign Minister, to London to discuss Spain's claims. This was rebuffed and Spain began to tighten border controls. In 1967 Britain held a referendum on the Rock. Only 44 of 19,000 Gibraltarians voted - though not in quite so many words - for integration with Spain. In 1969 Britain drew up a Constitution for Gibraltar, promising never to transfer the sovereignty of "the people of Gibraltar" against their will. Franco then sealed the border completely.

A 16-year siege ensued. Its legacy still shows in the blind distrust Gibraltarians have of the Spanish. When Bossano says today that "no-one is going to convince a Gibraltarian of even considering a future



A colonial relic fights for its corner of Europe

Peter Bruce describes the difficulties caused by a community still fighting past battles

with Spain" you can believe that he is speaking the truth.

It is a sad, perhaps even foolish, truth. Gibraltarians admit that they are no longer particularly pro-British. Britain, for its part, is an increasingly remote guardian and the troops cuts will make a huge dent in the colony's revenues. But Gibraltar can never be legally independent.

In November 1984, nearly five years after Britain and Spain agreed to reopen talks on Gibraltar, the Brussels Agreement established a basis for annual talks on co-operation - including the thorny sovereignty question. The border was reopened to traffic in 1985, thus returning Gibraltar to "normality" and opening the way for Spain to join the European Community.

Francisco had died in 1975 and a vigorous democracy replaced him. The economy was beginning perhaps its four most glorious years of growth since the 18th century. The Spanish were clearly expecting a joyous response to this bright new reality. It was not to happen. In 1987 Sir Joshua Hassan, Gibraltar's long-serving conserva-

tive chief minister, was about to agree terms between London and Madrid, under which both countries would use the RAF runway on the disputed sandy isthmus that joins the Rock to the mainland, when Bossano led mass protests against it, fearing that to cooperate could imply recognising Spanish claims. Bossano replaced Hassan a few months later.

After 16 years of siege, Bossano had little difficulty in convincing Gibraltarians that they could get along perfectly well without Madrid. "De facto we are already an independent nation," he insists, and "it is not true that we cannot develop without Spanish co-operation."

He has quickly cut public sector jobs, hived off telephone and tourism services into private sector joint ventures and, he says, created 1,079 new jobs. In tiny Gibraltar, it is possible to be that precise. GDP, about £175m, is up 10 per cent and the inflation rate is 6.2 per cent.

"There's a new buzz about the place, a new feel," enthuses Jonathan Stagnetto, a young Gibraltarian who left to study in

England the day the border reopened and who has returned to establish a small offshore services business.

Finance is the buzzword in Gibraltar, and the hope is that investors in Hong Kong, worried about the Chinese takeover in 1997, will come to GIB. A Danish company is building a big office complex on reclaimed land near the marina, to double Gibraltar's office space and attract offshore financial institutions.

But this has only worsened ties with Spain. Madrid assumes it is becoming a place for tax dodgers and money launderers using exempt companies to invest in Spain without paying tax. Now Gibraltar has become the largest source of foreign investment in Spanish real estate, the presence of three Spanish banks on the Rock has done little to ease its fears.

Local lawyers admit the hard sell may have gone too far. "We can still turn our hands to business that has nothing to do with Spanish villas," says J.E. Triay, senior partner in one of the Rock's largest chambers.

Nevertheless, Gibraltar's attempts to become a serious off-shore centre may become the key to breaking the political deadlock with Spain. The more successful the finance centre is, the more inefficient die-hard politics becomes. "It makes no sense if you don't internationalise the border," says Triay. "The policies of the Government (regarding the airport agreement) are totally misconceived," Joseph Gaggero, chairman of the Bland Group, which controls GB Airways, also wants to see the agreement "tested" quickly.

That is as far as public opposition to Bossano goes, though neither man supports integration with Spain. "It doesn't take much business to keep Gibraltar going," Triay says. "Our secret is that we have this independent economy, small as it may be, and it is for a very small number of people." (20,000 Gibraltarians and 10,000 expatriates.)

But some 30km away is Sotogrande, big and luxurious, its marina bobbing with yachts. Here, inside Spain, is where increasingly more Gibraltarians with any money either live or own property. Drives are crammed with smart Gibraltar-registered cars and half the managers that keep the Rock's financial services going commute from here or nearby to the colony every day. Housing in Gibraltar is cramped and unattractive and the more the finance centre grows, the more the senior personnel will depend on the luxuries of modern Spain to keep them happy. Smuggling does nothing now but makes trouble. The tobacco trade infuriates the authorities in Spain, where higher tobacco prices are guarded by the monopoly distributor, Tabacalera. Last year, when two Spanish policemen chased a Gibraltarian smuggler on to a local beach, firing into the air, they were arrested and the smuggler set free. "Why should we stop people buying tobacco here in order to protect a Spanish monopoly?" asks one resident.

But even though Gibraltar's insistence that it needs nothing from Spain is made daily more absurd by the amount of business it does because of Spain, or because of the number of Gibraltarians who live and prosper in Spain, they do have a point. Madrid has reacted sulkily to Gibraltarian hostility since the opening of the border. "Spain saw the opening of the border as a concession," says a British official. "Gibraltarians saw it as righting a wrong. It put back relations 50 years and almost anything that the other side does is automatically going to be interpreted here in the worst possible way."

The true enemy, viewed from Gibraltar, is Francisco Fernandez Ordones, Spain's affable and clever Foreign Minister, who becomes quite irritable when discussing Gibraltar. Every time the Spanish frontier police search departing cars more closely than usual, causing huge tailbacks into the colony, he is automatically assumed to be responsible. Sometimes he probably is. Gibraltarians will allow that they are a little paranoid, but says Jonathan Stagnetto, "the Spaniards keep putting the boot in for one reason or another." Understandably, the Spanish see things differently. "It is not our job to be psychoanalysts to Gibraltarian paranoia," says one official in Madrid.

Nevertheless, while Spain insists it will talk only to the British, as the sovereign power, about "normalising" Gibraltar's situation, there seems little doubt that unless Madrid and Gibraltar can come to an understanding only a wholesale British betrayal of the colony, by revoking or reinterpreting the 1969 Constitution, can break the current deadlock. That is unlikely and it is a much gloomier prospect, economically, for Gibraltar than it is for Spain.

For the moment, working class Gibraltarians, many with two cars and their own homes, are well off and Spain has not yet made them a better offer. Spain's institutions are overworked and inefficient and grimy La Linea over the fence is as shabby an invitation as is possible to imagine. But it will not always be like that. Madrid has often offered to leave Gibraltar's institutions intact in return for sovereignty and while Spain might now pay a high political price to the Rock Gibraltar's hand becomes weaker as Spain becomes richer. Madrid is unlikely ever to recede the border but it can frustrate Gibraltar. It could take investments made through Gibraltar companies and by nullifying his colours so firmly to non-co-operation, Bossano is taking a huge gamble with the colony. The Spanish want Gibraltar back and though it can indeed survive alone, to what mediocre end? Bossano's popularity is such, though, that no-one will be able to say he did not do the job he was elected to.

Gamesmanship on the Euro pitch

English football teams have gone back into Europe at last. To make a change from financial gloom I thought I would celebrate this week's historic return with some accounts of a few of the more notable matches.

London City 2 Republik United (Frankfurt) 1 (Frankfurt) This is a match of two legs, was the view of City manager Rob Leigh-Pemberton, the "guy" relaxing after the London side ran out comfortable home winners in this Eurocup Trophy final. "The lads done brilliant, but Frankfurt will be a much tougher team after their merger next month."

In what turned out to be a patient tactical battle the Londoners benefited from their shrewd signing of Jacques Attali from Paris who combined effectively with the home team's John Flemming, while the Frankfurters struggled with outdated systems and failed to link up with their own wide men.

But on their strengthened home turf the Germans could turn out to be a different proposition, especially as the Londoners' injury list lengthens. Benks going lame is just the latest disaster. As the guy put it: "A lot of punters will be choosing Frankfurt as their central banker on the Euro-pools, but City will be fighting tooth and nail all the way to the final whistle." Sterling Albion 1 Club ERM 1 (match abandoned) Veteran visiting captain Karl

Otto Pöhl dropped a bombshell late in the second half with his claim that Albion's ball was over-inflated. A desperate search for an alternative produced only a hard composition replacement which was also given the thumbs down. The shock move prematurely ended a game which had been developing nicely. Fears of crowd trouble from women spectators, a feature of previous matches between these teams, luckily proved groundless as the two sides provided lively end-to-end action. ERM soon cast aside their "half-baked" reputation, but early domination by the European side came rather surprisingly through their Spanish and Italian wingers rather than from the heavy German back four and the French midfielders.

Then the British team hit back firmly, having sharply raised the interest levels with some aggressive high balls. Johnnie Major, Sterling's captain, put his team ahead late in the first half with a deceptive nudge and deflection. Good marking paid off for ERM, however, who equalised when the Sterling players seemed mesmerised by what was virtually a goal in their defence. Dates in October and November are being considered for the resumption of this first round game in the EMU Challenge, but some say the fixture list is too crowded until next year and Sterling may yet be disqualified. It could be a tricky decision for Euroleague boss Jacques Delors.

The Long View



The results from this week's Continental football games were not always as good as they seemed...

DG15 Bruxelles 0 SIB Kovens 0 (after extra time) Honours were declared even after this four defensive battle in Brussels, but the sparse spectators were streaming home long before the referee blew the final whistle. Replacement of the Irish referee by an Italian did nothing to speed up

the pace of the game. There was livelier action in the dugout. Lashing out bitterly over the proposed minimum transfer fee rule which could leave the smaller British clubs priced out of the game, SIB manager Dave Walker had harsh words about the failure of the game's commissioners in Brussels to produce a level playing-field.

Nevertheless, Walker expressed satisfaction that his team had managed to hold back DG15's powerful German system which had threatened to overwhelm them in the first half. But on the other hand the British side's lightweight independent raids stood little chance against the massed back defences. So there is still all to play for in this qualifying round for the 1992 Single League Championship. Don't expect record gate receipts for the replay, though.

Bourse de Paris 0 Threemorton Wanderers 1 (at half-time) As ever slow to settle, and prone to unnecessary handling at the back, the Threemorton Streeters let the pace, quick-passing French side run rings around them until expensive signing Pete Rawlins hit back by scoring against the run of play near the interval. It brought a smile to the face of beleaguered manager Andy Smith, who axed Lovell and Kitcat before the game, and shocked journalists by warning that a cash crisis would mean further big cuts in his squad.

Top dogs in Europe for so long, the complacent Threegers badly need a new lease of life, judging by their lacklustre showing against a side who are clearly determined to go places. The famous competing play-maker system no longer looks so hot against younger competition. Possibly facing Frankfurt in the next round, the Londoners still have no firm news on the fitness of match-winning striker Steve "Taurus" Bull who may need further surgery following a mystery swelling problem.

The goal was simplicity itself. After an over-ambitious one-to-one with Elwes broke down Rawlins recovered the ball, trampled over a weak challenge by Reuter and Instmet, ignored the red card of referee Gordon Borrie and slotted his shot into the net. Spurs 6 F.C. Makaveli (Transylvania) 7 (after penalty shoot-out) Struggling Spurs shot out of Europe on penalties as the troubled London team's players fought each other more energetically than they tackled the Czech opposition. Team captain Bobroff was sent off after coming to blows with fellow defender Scholar when a pass to England star Gary Lineker fell woefully short and key players were substituted.

Tottenham surprisingly went ahead by capitalising on Gascoigne's value but kept falling for the offside trap and had no answer when a cheeky Czech response streaked through Scholar's legs. As the game went to penalties the visiting side's experience when on the spot proved crucial. Disciplinary action could now hit Spurs.

PEPS AND PERFORMANCE FROM NEWTON.

Last year, Newton Investment Management was the best performing pension fund manager in the UK, producing a Median return of 38.2% according to the W M Survey of UK pension funds. Indeed Newton Investment Management have managed the top performing pension fund since 1978.

This expertise is now available to the individual investor who can build up a tax free portfolio through any one of our three Newton Personal Equity Plans.

The Newton Equity PEP
The Newton Mixed PEP
The Newton Unit Trust PEP

The objective of all our PEPs is to achieve above average total return. But remember that the value of investments and the income from them may go down as well as up and that past performance is not a guarantee of future success.

(Source: The W M Company)

If you would like more information on Newton PEPs please fill in this coupon and send it to: Newton Investment Management Ltd, No 2 London Bridge, London SE1 9RA. Alternatively you can telephone Samantha Gilchrist or Jonathan Powell on 071-407 4404.

Name _____ Address _____

NEWTON

A NAME FOR THE NINETIES
Newton Investment Management Ltd, a member of IMRO.

FT 22/9

CONTENTS

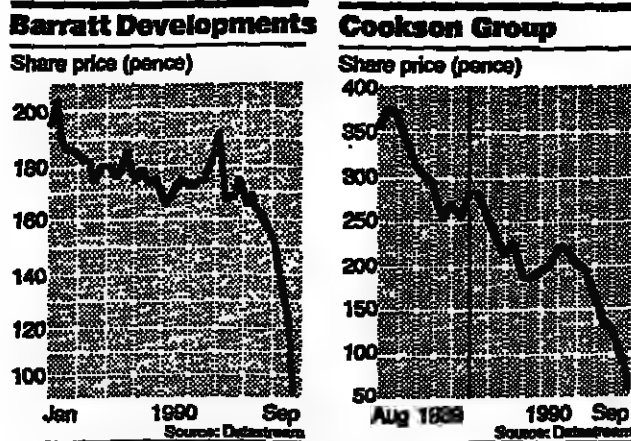
| | | | |
|--|------|---|-------|
| Finance: Is the sound of gunfire a signal to buy, asks Philip Coggan | III | Travel: The English country house hotel under threat | XVIII |
| How to Spend It: Ghosts of the British Library Reading Room | IX | Arts: Antony Thornicroft on the British 20th Century Art Fair | XX |
| Wine: Janols Robinson visits a dank dungeon | IX | Sport: Gascoigne: showman on a short fuse | XX |
| Arts: The Family | XV | Property: The City | XVI |
| Books: The City | XVI | TV and Radio: The City | XVII |
| Bridge: The City | XVII | What: The City | XVIII |

MARKETS

LONDON

Gloom, doom and Polly Peck

FINANCE & THE FAMILY: THIS WEEK



Barratt falls out of favour

Barratt Developments, one of the most famous names in UK housebuilding, this week took the dubious honour of being the first of the front-rank builders to reduce its dividend. Other housebuilders reporting recently experienced sharp contractions in profits but managed to either maintain or, as was the case with Taylor Woodrow, increase their dividends.

Barratt's pre-tax profits collapsed from £77.5m to £30.2m, causing the group to almost halve its final dividend from 10.15p to 5.75p, giving a year's total of 9p against 19.35p, the first time the group has reduced its dividend since its market debut 22 years ago.

Analysts were dismayed by the news, pointing out that Barratt had maintained the dividend even during the mid-1980s when the group was badly affected by the timber-frame controversy. Profits forecasts for the current year were cut heavily, mostly to around £25m, although some of the pessimists moved down to £23m. *Stephen Thompson.*

Cookson hits six-year low

Disenchantment with Cookson, the specialised materials group, reached a crescendo this week, sending the stock plunging to the lowest levels for six years. Although Cookson's problems have been apparent from the turn of the year, they have come more sharply into focus since publication of the interim profits just two weeks ago.

The main difficulties are an operating downturn in some businesses, and particularly Tioxide, a joint venture with ICI, a stretched balance sheet — debt is nearly £550m — and the need for a cash injection. Disposals are also necessary. After having a market valuation of nearly £1.4bn last year, the former FT-SE constituent of the FT-SE Index is now only capitalised at £200m. *Roy Perry*

Electricity offer tempts 250,000

A quarter of a million people have registered at the Electricity Share Information Office after the first week of the privatisation marketing campaign. Meanwhile, ShareLink is offering a special service for prospective electricity investors. Those who enrol with ShareLink will automatically be registered with the Electricity Share Information Office. Telephone and other dealing facilities will be on offer at discounted commissions. Users of the service will be able to deal in electricity shares without waiting for their share certificates. *Philip Cogan*

New savings account launched

Bristol & West building society launched its Triple Rate Bond this week offering savers gross interest of 16.8 per cent (12.6 per cent net) on sums above £25,000. The money has to be invested for a year, and you cannot withdraw the capital until October 1, 1991. Thereafter, withdrawals require three months' notice.

The minimum deposit is £5,000, which attracts an interest rate of 16 per cent gross or 12 per cent net, while deposits between £10,000 and £25,000 will attract rates of 16.35 per cent gross or 12.25 net. *Sara Webb*

Fidelity looks to Uits

Fidelity is launching a range of 21 Luxembourg-based funds in a worldwide marketing campaign. The Umbrella funds are qualified as Uits (Undertakings for collective investments in Transferable Securities) and the range is seen as one of Fidelity's main investment vehicles for the 1990s. In the UK, the marketing effort will concentrate on the 12 country and regional funds.

In other moves this week, Morgan Grenfell launched a European Smaller Companies fund, in association with Deutsche Bank, and Royal London has relaunched its Gilt Income Fund as the Extra Income Trust. *P C*

INSIDE...

The real value of shares

Philip Cogan reports on how to find good-value shares — particularly at a time when the markets are distinctly shaky. *Page 16*

Perils of share incentives

Employee share schemes are meant to encourage employees to work harder and more effectively. But what if an executive moves on and wants to compete with his old firm? David Cohen tackles a thorny problem. *Plus Sara Webb on the latest Business Expansion Schemes. Page 14*

Single-parent planning

In the fourth part of the F&F 'Seven Ages' series, Sara Webb looks at financial planning for single parents. *Page 5*

■ BRIEFCASE: Tax from Spain is a pain — *Page 5*

IN AUGUST, President Saddam Hussein moved the goalposts for equity investors. This week, the same investors could be forgiven for wondering where the pitch had gone.

In five days, poor economic omens and deepening crisis at individual British companies have combined to push down the FT-SE 100 Index by 63.3 points. That is not a large fall by any standards, but it has been marked by an increasingly black mood in the markets and this time the confusion cannot be blamed on spillover from Saddam.

Yesterday, it was clear that many investors believed Thursday's fall of nearly 49 points had been overdone. Footsie was down a further 41 points at 10 am, but it recovered to end the day up 8.6 points at 2,025.5.

In five days of uncertainty, it was strange that a comparatively firm statement — that Britain is very unlikely to enter the exchange rate mechanism of the European monetary system while inflation remains high — should be blamed by some for precipitating Thursday's fall. Wednesday's speech on the subject by Bundesbank president Karl Otto Pöhl undoubtedly had an effect on currency — the pound fell 4.45 pence against the D-Mark over the week — but many equity analysts regarded it as a truism.

Even then, the economic messages broadcast on Wednesday were confused. While Pöhl signalled indirectly that UK interest rates would have to remain high, the Confederation of British Industry was calling for a cut in interest rates before the end of the year to avoid recession.

More worryingly, basic guidelines for equity investment have begun to disappear. According to one securities house, clients are being advised not to trust forecasts of earnings, and cling instead to dividend yield, which now stands at an eight-year high of about 5.3 per cent for the market as a whole.

The collapse in Polly Peck International's share price on Thursday showed just what a valuable commodity investor confidence has become. Shares in the fruit trading and consumer electronics group fell 135p to 108p before suspension and the fall knocked the crutches away from a market already nervous about company prospects.

At the same time, the Serious Fraud Office confirmed it had searched the offices of South Audley Management, a property company indirectly linked to Asil Nadir, Polly Peck's chairman and largest shareholder.

Thursday's market may have been led downhill by a Footsie stock but what was notable about the descent was the way in which smaller stocks were also involved.

Some erstwhile first-division companies have found themselves unexpectedly turned into secondary stocks this week. Polly Peck is worth a

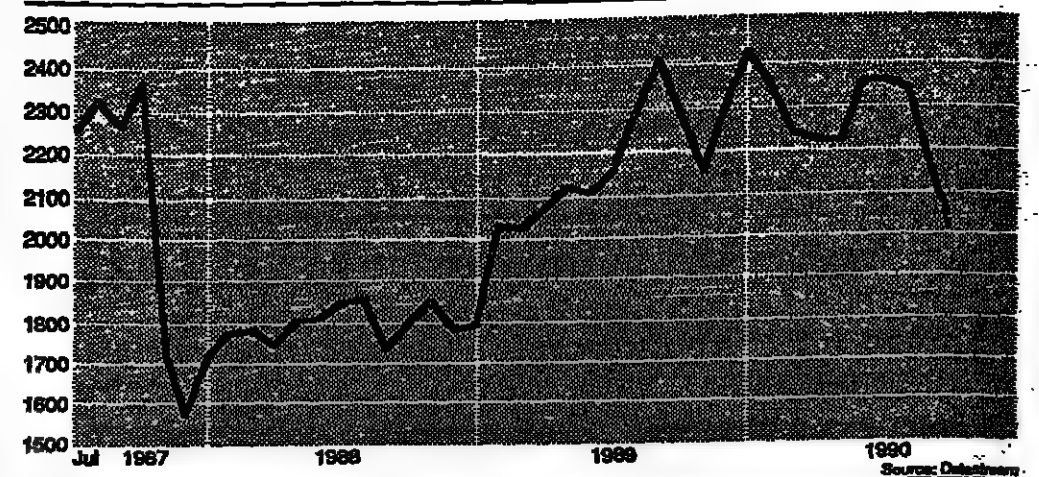
more £468m at its suspension price compared with a market capitalisation of between £400m and £150 for the smaller Footsie companies.

Coincidentally, this was also the week when the relegation of three Footsie stocks was announced: Carlton Communications, Burton Group and Taylor Woodrow are all to be dropped from the index — which contains the biggest companies by market capitalisation — from October 1.

Taylor Woodrow, the construction company, marked its impending departure in spectacular fashion, when it revealed on Tuesday that profits had fallen for the first time in 30 years — down 12 per cent to £36m at half-time. Its shares ended the week down 10p at 180p.

The group was joined in the building basement by Barratt Developments, which on Wednesday cut its dividend for the first time since it came to the market in 1968. Annual profits fell by 60 per cent during 1989-90; Barratt's shares fell 25p to 98p during the week.

FT-SE 100 Index



When high seas hit the equity market, there are some solid objects to which nervous investors can lash their portfolios.

Trading in the last two days of the week was characterised by flight into stocks promising reliable dividend growth, such as British Gas, and other utilities with stable core businesses, like the larger privatised water companies. Significantly, two water companies — Anglian and Severn Trent — will be among those replacing the trio of deletions from the FT-SE 100 Index next month.

Some hard-bitten investors are still taking a punt on the chance of war in the Gulf, buying oil stocks such as British Petroleum and Shell, and defence companies, which are still resisting the worst of the market weakness.

But corporate results continue to demonstrate the resilience of companies protected from the worst the UK economy can throw at them.

Not even the gloomiest government statistician has suggested people have stopped eating because of high interest rates: Tesco proved this simple fact on Wednesday when it was able to announce a 26 per cent increase in interim profits to £17.8m, although the supermarket chain's shares actually slipped a couple of pence on the day. One food retailing analyst explained: "I think the market took the view that the results were better than expected, except the market expected them to be better than expected." It has been a confusing week for stockbrokers too.

It may console some battered shareholders to know that although Thursday was Footsie's worst day, it contained some of the brighter company results of the week.

A notable survivor was B&Q, shares in which shook off its concrete boots worn by most other Footsie stocks. The aggregates and building materials group watched its shares rise 2p on the day, in spite of a

5.4 per cent fall in interim profits. Its results ran slightly against the gloomy trend in the construction industry because of a strong performance in West Germany.

Guinness also beat City expectations with a 31 per cent increase in interim pre-tax profits to £322m, on the back of strengthening demand for higher value brands of spirits and beers.

It does not take a top analyst to guess that depressed consumers turn to alcohol when times are hard; more surprisingly, customers also seek solace in well-known brands. M&B Group, for example, managed to push up profits in the difficult building products market during the first half helped by brands like Everest double-glazing, Twyford and Steirad Doubleton bathroom products. As M&B's chief executive Peter Jansen put it on Thursday: "People in bad times tend to turn to the familiar things."

Glaxo, one of the world's two largest pharmaceutical groups, is also placing its faith in brands of a sort — a string of new drugs due to come on the market in the next few years. Glaxo needs new drugs to replace the gradually declining sales of Zimtec, its anti-ulcer medicine. The UK group's reliance on the drug has given analysts sleepless nights in the past, but Thursday's optimistic trading statement accompanied a 15 per cent year-on-year improvement in profits, to £1.14bn before tax. That was at the top of City expectations.

Unfortunately, if Thursday's hectic trading proved anything it was that no matter how safe it is to be lashed to the mast when a storm blows up, it is worse than useless when the ship itself is sinking. Glaxo's shares finally closed 25p higher over the week at 73p, as investors finally recognised the worth of the 1989-90 figures. But on Black Thursday itself, with the market drowning, all three stocks closed lower.

Andrew Hill

HIGHLIGHTS OF THE WEEK

| | Price y/day | Change on week | 1989 High | 1989 Low | |
|----------------------|----------------|-------------------|--------------|-------------|-------------------------------------|
| FT-SE 100 Index | 2025.5 | -63.3 | 2463.7 | 2016.8 | Mounting fears of recession |
| Barratt Group | 118 | -59 | 185 | 115 | Tom finally fails to sell 57% stake |
| Barratt Developments | 98 | -25 | 218 | 92 | Profits halved/outs dividend |
| Brent Walker | 120 | -26 | 376 | 60 | Unsure about leisure sector |
| Burton | 75 | -28 | 228 | 66 | To leave FT-SE 100 |
| Cookson | 77 | -34 | 308 | 48 | Cautious over high gearing |
| Darwin & Newman | 230 | -105 | 775 | 150 | Division up for sale |
| Edinburgh | 35 | -57 | 238 | 37 | 78% profit fall |
| Hughes (NT) | 110 | +28 | 141 | 61 | Agreed bid from Leigh Interiors |
| Lease Group | 420 | +141 | 444 | 284 | Agreed bid from Interpublic |
| Movoras | 77 | -47 | 248 | 77 | Dividend cut anticipated |
| Polly Peck | 108p | -137 | 482 | 108p | Asil Nadir interviewed by police |
| Regal Hotel | 35 | -45 | 154 | 32 | Bid table end |
| Rochebank | 55 | -35 | 476 | 55 | Part-owned by Olympia & York |

† Price at suspension.

WHAT, THEN, constitutes a bona fide recession? That is the question still being debated by earnest US economists, bond and equity analysts and central bankers such as Alan Greenspan, the Federal Reserve chairman, whose latest remarks on the subject sent the Dow Jones Industrial Average 38.11 points lower on Thursday.

Greenspan, testifying before the Joint Economic Committee of Congress, conceded that economists who are predicting an imminent dip into recession are not being unreasonable. Yet he shied away from saying that a full-scale recession has yet happened, preferring instead to note simply that the US economy is growing "very slowly."

The equity market was moved by his warning that higher oil prices resulting from the Gulf crisis were creating "new and substantial risks" for the US economy which suggested that the possibility of a recession had "clearly risen with the onset of the Gulf crisis and the oil shock."

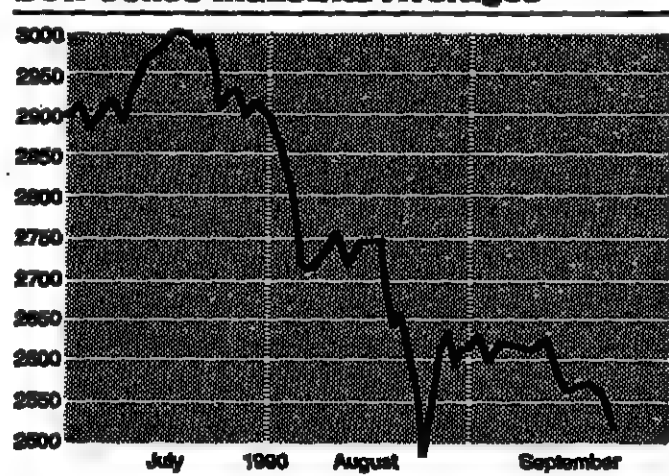
Wall Street concluded that Greenspan's testimony on Wednesday, dwelling on the inflationary dangers of higher oil prices, implied a certain reluctance to ease interest rates. The equity market responded accordingly on Thursday; and yesterday morning it was showing no sign of bouncing back significantly.

Much is made on Wall Street of the textbook definition of recession — two consecutive quarters of decline in real GNP. A less scientific analysis based on the extraordinarily gloomy prospects for the US economy may, however, now be in order. It may be time for the "duck test."

WALL STREET

Wounded duck

Dow Jones Industrial Averages



Richard Derman, the budget director, used to be fond of saying that if something looks like a duck, walks like a duck and smells like a duck then it must be a duck. On that basis, consider the following items:

■ The continuing rise of problem loans at US money centre banks was highlighted by yesterday's announcement from Chase Manhattan of unprecedented loan loss reserves and draconian staff cuts.

■ Analysts in several key manufacturing sectors are steeling themselves for an avalanche of unhappy third quarter corporate results.

■ More than half of the 60 economists recently canvassed by Blue Chip Economic Indicators said they thought a recession would start this year or

in 1991. Blue Chip's consensus forecast for growth in real GNP in 1991 is now a mere 1.3 per cent, compared with 3.3 per cent two months ago.

■ The price of crude oil for October delivery rose by \$1.55 a barrel on Thursday, to \$34.71, the highest level in nine years.

■ Congressional Democrats are sufficiently worried about the stalled Budget Summit that they are considering legislative proposals to prevent \$106m of automatic spending cuts that will come into effect next month if a deficit reduction deal is not achieved.

In this environment there is something distinctly academic about the "Are we on the verge of recession or not" verbal pyrotechnics among analysts and commentators. Given

the sluggish nature of the economy and the gloom over company earnings, it seems that only a cut in interest rates can offer a respite to corporate America. But oil-related inflationary pressures look likely to worsen as the Gulf crisis drags on, with significant implications for the Fed's monetary policy.

Even if rates were lower, the sorry state of the banking business would still be a problem. The same kind of semantic debate about the onset of recession is now taking place on the question of whether American industry is facing a credit crunch from the banks.

The banks say they are still leading to reasonable customers, but the definition of a reasonable customer has changed drastically over the past 12 to 18 months. Donald Trump, for example, used to be considered a good customer; this week it emerged that he had missed a nearly \$1.1m payment on loans extended for the purchase of his troubled Trump Shuttle airline. And just weeks after his banks approved an emergency \$85m rescue package Trump is now asking for a further restructuring on \$45m of Shuttle-related loans.

Chase Manhattan, meanwhile, was forced yesterday to issue its second denial of funding difficulties in just over a week. The bank's shares fell to a new low of \$13.75 on Thursday, before regaining 3/8 of a point yesterday morning once it became clear that the bank plans various staff cuts and heavy loan loss reserve provisions.

| | | |
|-----------|---------|--------|
| Monday | 2871.33 | + 5.35 |
| Tuesday | 2871.33 | + 5.35 |
| Wednesday | 2871.33 | + 5.35 |
| Thursday | 2871.33 | + 5.35 |

Alan Friedman

COMPANY PROFILE

Kingfisher flies in the face of retail trend

KINGFISHER is Britain's biggest sweet shop and sells more plastic Christmas trees than anyone else. It is also the UK's largest do-it-yourself retailer and a substantial player in the electrical goods, toiletries, toys, entertainment and retail property markets.

Last year it made pre-tax profits of £209.8m — excluding exceptional items — and turned over £2.91bn. Its central management team, which is speckled with Harvard MBAs, is respected in the retailing trade and generally loved in the City, where retailing engineering skills are in fashion and flair is definitely out.

This week Kingfisher fully justified that confidence by posting a 3 per cent rise in interim pre-tax profits despite hostile trading conditions in most of its markets.

All this attention is rather a far cry from the company's dingy origins in the Woolworth department store chain. The transformation began in 1982 when a group of former British Sugar executives staged an ambitious buy-in and set about sprucing up the chain and exploiting its under-utilised

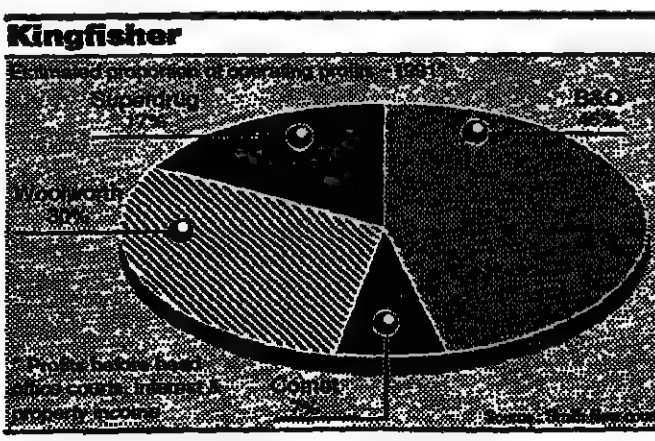
assets.

The turn-around at Woolworths has been impressive. In the past five years it has lifted its operating profits more than threefold, from £17.6m to £55.6m. The chain has a strong position in several niche markets. It is the biggest confectionery seller in the UK and each year it sells about 12m birthday cards, 6.5 million of gift wrap, and a quarter of all Christmas decorations.

There are undoubtedly still further efficiencies to be squeezed out in the company and market shares to be gained, but some doubts circulate about its future direction and format.

The new management team also sought to exploit Woolworths' considerable property assets and for this purpose set up Charwell Land as a separate property development and investment company. Charwell Land has been hard hit by the recession in the property sector and saw a sharp drop in its contribution to interim profits from £26.7m to £27.4m.

However, Kingfisher clearly still has big ambitions for the company and is looking to pick



| | 1988 | 1989 | 1990 | 1991 |
|--------------|------|-------|-------|-------|
| Profits (£m) | 61.3 | 116.3 | 147.2 | 168.9 |
| Eps (p) | 18.9 | 23.6 | 26.3 | 30.3 |

Figures are for and include exceptional items

up investments in the present depressed market conditions. Yesterday's £35m purchase of a chunk of property from Rosebank is perhaps an example of how it intends to proceed.

"We are aiming to make Charwell into one of the most successful property companies

in the country but that will take us at least three years to do," says Archie Norman, Kingfisher's finance director.

Of Kingfisher's other interests, B&Q is the most significant as it dominates the DIY sector with an estimated 13 per cent share of the £7bn market.

through the acquisition of the Dixons chain was blocked by the Monopolies and Mergers Commission.

Comet fell into losses at the interim stage but the company claims to have increased market share and will see a seasonal uplift in the second half.

Following the failure of the Dixons' bid, analysts have speculated about what acquisition Kingfisher may tackle next. However, the company stresses that it is under no pressure to do a deal and that it has ample opportunities for organic growth, especially when interest rates ease.

This view is shared by many in the City and summed up by Chris Dickman, retailing analyst at Smith New Court: "Kingfisher is resilient in this trading environment and sensitive to the next one."

However, Nick Bubb, of Morgan Stanley, thinks that the City consensus is misguided and that Kingfisher will suffer in the second half. "They can't walk on water for ever," he argues. "Their competitors have seen that their markets have fallen off the cliff."

John Thornhill

SMALLER COMPANIES

A play for profit

If "work hard and play hard" was the epitome of the 80s then the leisure sector is hoping that "play hard" at least will remain the catchphrase for the 90s. However, leisure sector shares have underperformed the FT All-Share by around 20 per cent since May 1989.

Leisure shares outperformed the market consistently during the late 1980s, fuelled by the surge in consumer spending. But recently the negative publicity associated with the problems of B&Q (now acquired by Rank) and disappointing results from companies like Granada have caused investors to steer clear of the sector.

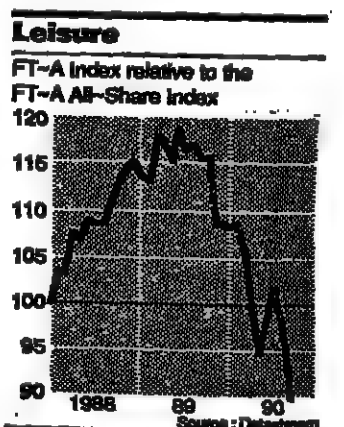
Many leisure companies grew substantially on the back of the economic expansion of the 1980s, incurring heavy debts in the process. Lower consumer demand and higher interest rates have since squeezed their cash flows, and many media companies have been hit by falling advertising revenues.

Shares in a handful of companies have bucked the trend, however. Pickwick Group's value has risen by 15 per cent since last May. The video and audio distribution group has won contracts from the BBC and Walt Disney, and wisely insured itself so that its status as a creditor to Parkfield should not affect it.

Yet in the face of the downturn in restaurants, hotels, media groups and even golf clubs are still coming to the market. There have been more than a dozen leisure-related quotes and listings in as many months, and the recent spate of golf club launches offers investors a potentially high return.

With its sights on a younger age group, the Rock Garden Group is risking the markets next week with a USM placing. Rock Garden is a restaurant and live music venue based in Covent Garden, London. It was founded in 1976 and is now hoping to expand overseas.

The Pelican Group obtained a USM quote earlier this month to provide funding for



its nine theme restaurants in London: six French brasseries and three Hispanic cantinas. But Pelican's experience is a reminder of investors' continuing distrust of leisure. After a placing on the USM at 51p, the group saw its shares fall on the first day of trading. They have since slumped to 43p.

The conventional wisdom is that an ageing population, earlier retirement and more holidays will provide the time — and rising disposable incomes the money — for a large increase in demand for leisure activities.

"We've been hearing that argument for years," says one analyst, whose firm no longer follows smaller leisure companies. It became concerned with the high level of borrowing and dependence on property on many balance sheets.

The appeal of leisure may have lured investors in the past, but it has also tempted entrepreneurs with a rather mixed range of abilities. "Managing a balance sheet is very different from managing a disco," points out one commentator.

The leisure sector still looks tempting in the longer term according to analyst Peter Hillar from Smith New Court. But during tougher economic conditions, businesses in the industry are as vulnerable as in any other area.

Andrew Jack

FINANCE & THE FAMILY

Philip Coggan explains the different approaches to share valuation

Knowing when to sell and when to buy

"BUY WHEN the besieging army is at the city gates; sell when the trumpets sound the retreat": does the old Rothschild adage ring true with Saddam Hussein and the West perilously close to war?

A spate of circulars from unit trust managers has urged investors to increase their holdings. But cynics might dismiss such sentiments as a desperate marketing drive from a beleaguered industry. August figures showed a record net withdrawal by investors.

Relying on advice from the average fund manager is not a foolproof method, given their long-term record of underperforming the stock market indices. The private investor is probably better placed looking at the fundamental ratios used to value shares. None of the ratios is a perfect guide in itself, but taken together, they provide a reasonable picture of whether the UK stock market looks under- or over-valued in historical terms.

The best way to start is with the dividend yield. Many private investors may not be interested in their dividends, because they hold shares for capital growth, rather than for income. But dividends are very important for many institutional holders and the gains made from reinvesting dividends are important in the historical outperformance of equities over other assets.

The graph shows the yield on the FT All-Share Index since 1975. Yields tend to have an inverse relationship with bond and share prices so that when yields are rising, prices are falling and vice versa. The over-optimism of the 1974 bear market, when yields topped 12 per cent, and the excesses of the 1987 bull market, when yields briefly fell to 3 per cent, seem obvious with hindsight.

Over long periods - going back to 1919 - the UK market has tended towards an average yield of around 5 per cent. Broadly speaking, investors did

well to buy shares when the market was yielding more than 5 per cent, and did well to sell when it was yielding below it. But the rule is only a rough guide. If you had sold in 1983, when the yield dipped below 5 per cent, you would have missed several years of the great bull market. And if you had bought in 1973, when the yield moved up through 5 per cent, you would have had some sleepless nights in the 1974 bear market.

At the moment, the All-Share is yielding 5.76 per cent and so looks cheap in historical terms. But only marginally so - the late 1970s and early 1980s offered many better buying opportunities.

Another way of looking at the market's fundamental value is to look at the price/earnings ratio. This examines the relationship between a company's profits and its share price. Put simply, the level of the ratio represents the number of years' profits that an investor has to pay to buy a share; a p/e ratio of 12 indicates the purchaser is paying 12 years' profits for the shares.

But if profits are growing fast, then a high p/e paid for last year's profits becomes a low p/e in terms of next year's results. If a company on a p/e of 12 can double its profits in the coming year then the prospective p/e is only 6. Normally, the higher a share's p/e ratio, the faster investors expect its profits to grow. The same principle applies to the stock market as a whole as to individual companies.

The graph shows the p/e on the Datastream Total Market Index since the start of 1970. Again one can easily see both the depths of despair that were reached in 1974 and the heights of euphoria touched in 1987. The average p/e for the period is 11.6 and thus the current p/e of 10 implies that the market is relatively cheap.

But again, the figures are not bargain basement stuff. For the p/e to climb back to the average, shares would have to rise by only 15 per cent, of which dealing costs would take a chunk, leaving a return little better than one could expect from a building society.

A third way of looking at share prices is to examine their relationship with the underlying assets of the company, the so-called price-to-book ratio. According to fund management group GMO Wootley, the UK market's price-to-book ratio currently stands at 1.6, higher than the long-term average of 1.2. But the ratio has been rising steadily over the years, so it may not be a useful guide.

A different approach to share valuation is to compare the return offered by shares with that offered by other assets. Bonds are an obvious alternative and the traditional way of comparing them with equities is to compare yields. Yields on bonds are normally considerably higher, but the gap between the two fluctuates over time.

If the gap is relatively large, then investors are likely to be much more attracted to bonds than to equities. Either bond yields will fall (and bond prices rise) or equity yields will rise (and share prices fall). Similarly, if the gap is relatively small, equities may look attractive and therefore a rise in share prices (and fall in yields) may occur.

During the period 1976-90 the largest gap between bond and equity yields was in early 1982, just before interest rates fell around the world, prompting a sharp rise in bond prices. The lowest gap was at the end of 1987 (after the Crash) and at the end of 1988, which was followed by a rally.

Currently the gap between bond and equity yields is 5.8 per cent, below the average for the 1976-90 period of 6.6 per cent. That again indicates that equities are relatively cheap by historical standards, but not enormously so.

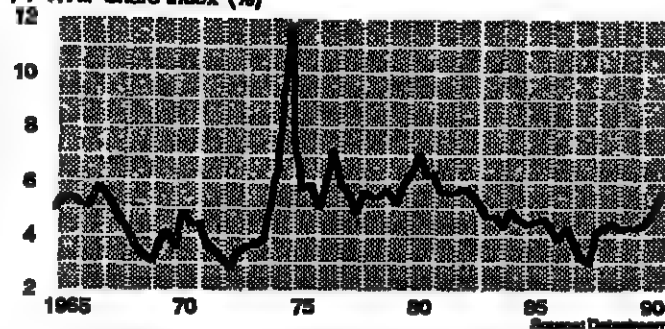
Another way of looking at the same relationship is to express bond and equity yields as a ratio. Here the 1976-90 average is 2.58, with the peak of 3.3 reached before the 1987 Crash (when equity yields were very low). The current ratio is 2.01, again below average, indicating that equities may be relatively cheap.

Most of the ratios so far referred show that shares are cheap or undervalued by



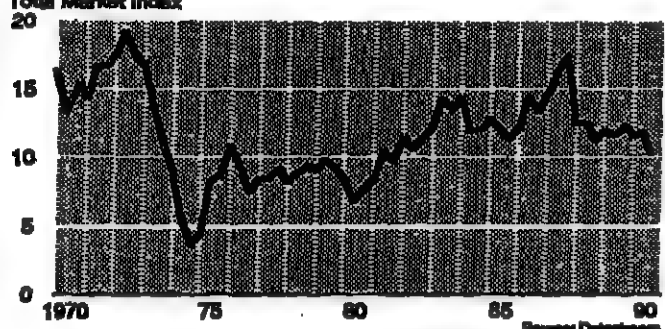
Dividend yield

FT-All-Share Index (%)



P/E ratio

Total Market Index



around 15 per cent compared with long term averages. But there are two relationships that show a different picture.

The third graph shows the relationship between the earnings yield and bond yields over the past 10 years. The earnings yield is defined as profits as a percentage of the share price, and is effectively the inverse of the p/e ratio. As the graph shows, the earnings yield has only briefly - in 1980 and late 1988 - equalled the bond yield.

When the gap is wide, the likelihood is that bond yields will fall and earnings yields rise (and thus share prices will fall). When the gap is narrow, the reverse is likely to occur: earnings yields will fall and share prices should rise.

Over the period covered by the graph, the average redemption yield on 25-year high coupon gilts has been 11.1 per cent. The average earnings yield has been 6.6 per cent. Currently, bond yields are 11.6 per cent and the earnings yield is 10 per cent, indicating a considerably lower gap than the average, perhaps as much as 35 per cent.

That could mean several things. The earnings yield may be set to fall, which could imply a rise in share prices, but it could also imply a fall in corporate profits. It could also mean that bond yields are set to rise, perhaps because of inflationary worries.

Nevertheless, the narrowish gap between bond and earnings yields is the most encouraging statistic so far for the equity bulls. However, the final ratio - that of cash interest rates to equity yields - tells a different story.

Investing in the money markets is an obvious alternative to buying equities and when interest rates are high (as they are now) one would expect yields on equities to rise. When the ratio between the two is high, the likelihood is that either interest rates will fall or that equity yields will rise (and thus share prices fall).

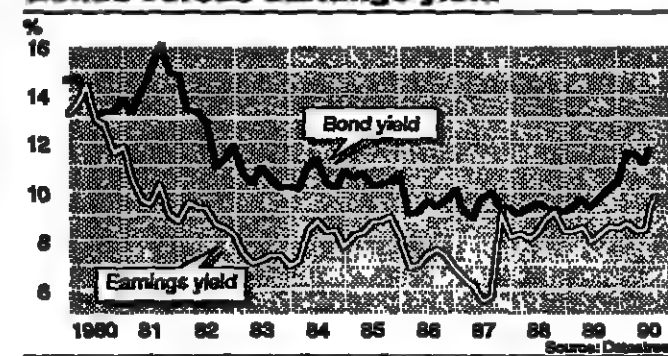
The average ratio over the period 1976 to date is 2.4 with a high of 3.4 (earlier this year when the FTSE 100 index was at an all-time peak) and a low of 0.9 (in 1977). Currently the ratio is 2.56, above the long-term average.

Of course, this could mean

for profit. Modest purchases of equities may currently be appropriate but only for the long-term investor who is prepared to wait for the averages to reassert themselves. Shares may still have a lot further to fall over the next few months.

What the figures do not show is that this is the time to fill your boots before the great bull market of the 1990s takes off. Such a bull market may happen - but it does not look very likely.

Bonds versus earnings yield



EXPATRIATES

Caribbean cleaner

RODNEY GALLAGHER, a partner in Coopers & Lybrand Deloitte, leaves the UK this weekend at the start of a British government inspired challenge to clean up the Caribbean's financial centres.

Gallagher will be based at the British High Commission in Barbados and will report to the Foreign Office in London. It may sound like Whitehall's 1990 equivalent of sending a gunboat to remind a colony who is in charge, and it probably is.

His current advice to internationally-minded private investors is straightforward enough: stick with reputable financial institutions, whether banks, insurance and trust companies or fund management groups. "If in doubt, don't do the business," he says.

Many reputable household-name financial companies operate offshore. Gallagher's view is that if their products lead you to the Caribbean, you should have nothing to worry about. If, on the other hand, you seek out a financial institution in the Caribbean without professional advice, "you might end up in trouble."

His expertise culminated in publication earlier this year of a 156-page Foreign Office-funded report on offshore finance sectors in the Caribbean dependent territories.

The report, which covered the Cayman Islands, Turks and Caicos, and British Virgin Islands as well as Anguilla and Montserrat, revealed great diversity in standards of practice. Cayman was praised as "an example for all in regard to the efforts made to introduce sensible and relevant procedures for regulation and supervision of the offshore sector."

At the other end of the spectrum, Montserrat was charged with an "apparent lack of concern for any international responsibilities in regard to probity in the financial sector combined with a myopic concentration on local issues." Montserrat was said to have become tainted by "association with US-based financial promoters of dubious repute."

The report also flashed a strong warning light in the direction of Anguilla about which it said there have, so far, been no major financial scandals involving financial institutions, although there have been a significant number of enquiries concerning money laundering and the proceeds of drug trafficking and other criminal activities.

The report made various recommendations aimed at cleaning up the local financial scene in the various territories.

Progress has been made. In March 1989 there were 347 licensed banks in Montserrat. Eighteen months on, the number is 40. As Gallagher's report made clear: "About 90 per cent of the banks licensed should either never have been given a licence or should have lost their licence under routine supervisory procedures laid down in the law." For Anguilla, a complete moratorium on all new banking and insurance licences was proposed.

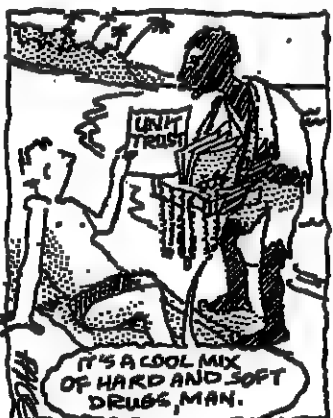
Encouragingly, the local governments of all five Caribbean centres covered by the report indicated their willingness to co-operate in implementing the report's recommendations.

Various tasks await Gallagher during his two-year stint as regional financial services adviser in the Caribbean. His role will encompass giving advice to and liaising with island authorities on regulation, supervision, training, legal drafting and use of data base systems. He is also likely to get involved in international inquiries from law enforcement agencies concerning efforts to combat money laundering. Gallagher was one of two UK delegates to attend a money-laundering conference organised by the Netherlands Antilles Government.

However, it was hardly unexpected. The plunge in the world stock markets accounts for much of the 11.7 per cent drop in the value of funds under management, by \$8.5bn to \$49.7bn.

The last time that unit trust funds suffered a sharp fall in value was October 1987 when they plunged by \$13bn to \$27.2bn, and knocked investor confidence so badly that the growth in unitholder accounts was stymied.

The outflow of funds in August was the largest ever seen for a single month, amounting to \$476m: repurchases of units from investors soared to \$1.07bn, while gross sales were at their lowest since December 1988 at \$583.1m.



Since the UK's financial services legislation became fully operational, offshore territories which have legislation equivalent to the UK's regime can apply for designated territory status, enabling offshore companies to market their products in the UK.

Territories which have been granted designated status for investment and insurance products are Guernsey, the Isle of Man and Bermuda. Jersey has designated status for investment products.

The biggest single boost any Caribbean financial centre could now give itself is to toughen its regulation to the extent that it becomes eligible for designated status.

Peter Gartland

Peter Gartland is Editor of *The International*, the FT's magazine for global investors.

Trusts in trouble

AUGUST has been a terrible month for the unit trust industry, thanks mostly to the Gulf crisis. The funds under management showed a sharp drop in value and the industry witnessed the largest ever outflow of funds for a single month.

"It was horrendous", said Nigel Sillitoe, a director of Framlington, one of the larger unit trust groups.

However, it was hardly unexpected. The plunge in the world stock markets accounts for much of the 11.7 per cent drop in the value of funds under management, by \$8.5bn to \$49.7bn.

The last time that unit trust funds suffered a sharp fall in value was October 1987 when they plunged by \$13bn to \$27.2bn, and knocked investor confidence so badly that the growth in unitholder accounts was stymied.

However, the Gulf crisis is not the only reason why money has flowed out. Some of the life companies have switched money from unit trusts and invested directly in the underlying equities. This followed a tax change in the Budget which required life companies to recognise accrued gains on unit trust holdings at the end of each financial year.

Added to this, Fidelity is in the process of reorganising its offshore funds and as a result it has taken about \$250m out of its authorised unit trusts in the last two months.

"People remain uncertain about the markets and will continue to be so until the Gulf crisis is resolved", says Mary Blair of Fidelity. Equity-based trusts have attracted little new business, however both cash funds and gilt funds have attracted some new investment - the former because of the current high interest rates, and the latter because once interest rates fall gilt prices are likely to rise.

Sara Webb

WHITTINGDALE

CITY RESERVE FUND

15.4%

HIGHER INTEREST

The Fund aims to produce a better return than Bank and Building Society Accounts.

SAFETY

Your money will be placed in only the most secure types of investment.

INSTANT ACCESS

Money can be back in your account within 24 hours - and with no penalty.

EXPERTISE

Your money deserves the constant attention which only specialists can offer.

The Whittingdale Group manages in excess of £1 billion of Gilts, cash deposits and other fixed interest securities, much of this for the Lloyd's insurance market.

The Whittingdale City Reserve Fund is an authorised U.K. unit trust, thus offering the highest degree of investor protection. Remember that interest rates vary from time to time and that the price of units and the income from them may go down as well as up.

* Projected Annual Compound Yield as at 6.9.90 for investors able to reclaim tax. This is after current charges.

For information on the Whittingdale City Reserve Fund complete the coupon and send it to: Whittingdale Unit Trust Management Limited, FREEPOST London EC2B 2HD.

Name

Address

Postcode

Members of IMRO and LAUTRO

FT AAP 22.9.90

FINANCE & THE FAMILY

THE SEVEN AGES



No. 4. The Single Parent

Taking care of the kids

"THERE ARE times when parenthood seems nothing but feeding the mouth that bites you," wrote Peter de Vries in *Tunnel of Love*. But for single parents, bringing up children can often pose tremendous financial strains.

One of the most important things to remember is to make sure your will is up to date. Fred Carr, of W I Carr, the stockbroker, says only an estimated 15 per cent of the population has a valid will. If your will is not valid you can leave terrible problems for your children or next of kin.

"Many people think about the financial implications of death but not about the care of the child," says Brian Tora, of James Capel.

Have you agreed with relatives who will look after the children in the event of your death? You should specify in your will what provisions you have made for the children and who you want to look after them.

Tora emphasises the need for careful estate planning to avoid crippling inheritance tax (IHT) bills. However, in many cases, IHT planning should have been sorted out earlier.

Sara Webb on the important issues for single parents

Men and women who become single parents because of the death of a spouse need to think carefully about how they pass on wealth to their children.

For example, take the following husband and wife case: the wife has assets consisting of £150,000 (representing her half share in the house) and £25,000 in other investments, while the husband is worth £200,000 (his half-share in the house, plus his other investments).

If the wife leaves everything to her husband, then on his death he receives her half of the house. If something then happens to him, the children will inherit a large estate and would have to pay IHT on the amount above £128,000.

The way to reduce or eliminate the IHT liability is to put certain assets outside the estate. For example, the husband could give up to £23,000 a year to the children without incurring an IHT liability. The money could be used to pay for an insurance policy written in trust in the child's name, which then remains outside the husband's estate.

Furthermore, in cases where the husband's company pays the premiums for his death-in-service policy, the family should again take IHT into consideration.

Many advisers recommend that the proceeds from the policy should be put in trust for the children: if it passed to the widow first, and then to the children as part of her estate, the children could end up paying IHT on part of the estate. If the lump sum from the death-in-service policy is held in trust for the children, it can provide them with an annual income which may be partly or completely offset by their single person's tax allowance of £3,000.

The other important area for single parents to review is pension arrangements.

Tora points out that problems can arise for a divorced wife bringing up the children if she is living off her ex-husband's maintenance. She is not entitled to a pension if she is not earning, because her maintenance payments do not count as earned income. However, if she is getting divorced, she should check exactly what entitlement - if any - she has

to her husband's state and occupational pensions by virtue of his contributions up to the time of the divorce.

She would be wise to plan for her retirement early, and if she cannot take out a personal pension, she could pay part of her maintenance payments into a series of Personal Equity Plans (PEPs) to build up a tax-free capital sum for her old age.

Other aspects of financial planning do not differ for single parents: they will probably still have to deal with their mortgage payments and for school fees, fees and unit trust plans both provide a means of saving for school fees.

Of course some single parents may face considerable financial hardship because of divorce, while others may find that they inherit money through the death of their spouse. In the latter case, it helps if the spouse's life was insured, as this can provide a lump sum which can be used to pay for a nanny or housekeeper to look after the children while the surviving breadwinner goes out to work.

Those who are in a position to invest their surplus wealth should probably reduce the risk to a minimum, for example by spreading money between deposits, fixed interest investments and blue chips.

Wherever possible they should use the children's allowances to avoid tax: for example, if the child receives income from a dependent's pension (as provided by some occupational pension policies), or from insurance policies written in trust, or from grandparents that could be offset against his or her tax allowance. However, if the child receives income from capital owned by the surviving parent, it is taxed as the parent's income, not the child's income, unless the income is less than £100 a year or if the income is allowed to accumulate in a bare trust account until the child reaches the age of 18.

So how could single parents plan in various circumstances? Take the two cases of single parents, Fiona Price, of Fiona Price & Partners, recommends the following:

■ Case 1. A single woman who decides to have a child in a few years' time. "As she would not be able to stop work for very long, being the breadwinner, she needs either to build up her savings or to earn a high salary to pay for a nanny."

"To build up her savings, she should use PEPs, preferably share-based ones which have the advantage that the PEP manager can dribble the money into the stock market when good buying opportunities arise."

"Then she needs to check whether her life insurance is adequate - does she have a scheme at work and does she need to top it up. She should have a minimum cover of ten times salary, so if she earns £20,000 this would provide £200,000 on death which could be invested to give £15,000-£20,000 a year."

"She should write life assurance in trust otherwise it will form part of the estate for IHT purposes."

■ Case 2. A single woman who has divorced in mid-career and has children approaching university. "Although she may want to help the kids through university or with a home, she should look after herself first and plan for her retirement. It will be crucial - if she is not already in a scheme - to take out a personal pension and to provide for any shortfall, could get the kids to use their student loans to invest in National Savings if they don't need them."

MY WIFE and I sold our UK property and took up residence in Spain in June 1989. We have obtained Resident Permits and made our first Spanish tax returns in June 1990.

I retired early and draw a small pension from my UK ex-employer. Effective from May 1990, I received a zero-TAX coding from the Birmingham Income Tax office, without a word of explanation. In May I wrote and asked for an explanation and, at the same time, wrote to Thomas Dixon explaining our circumstances and requesting a form with which to apply to have my pension taxed in Spain.

In June I wrote to the Birmingham office and to Thomas Dixon again, asking for the form. In July we obtained our papers giving a breakdown of the Spanish tax that my wife and I paid. I sent photocopies of the summary pages to the Birmingham office explaining that my Spanish tax liability takes into account UK personal allowance against tax paid in the UK and that therefore I am still entitled to a personal allowance on my pension.

The problem is that, apart from duplicate requests for two forms that I had already sent (one with a wrong file number) I have received no communication whatever from the Income Tax authorities since arriving in Spain more than a year ago, neither have I been able to contact them by telephone.

Tax from Spain is a pain

At this rate, I could continue indefinitely to pay extra tax that we can ill afford and never have the chance to exercise the option to be taxed entirely in Spain.

The question is, is there an ombudsman to whom we have the right of appeal against this lack of communication?

■ Try ringing the Double Taxation Section of the Foreign Dividend Office (whose in UK number is 081 398 4141) and ask for a form to claim exemption from UK tax under article 18 of the Spain-UK double taxation convention in respect of your occupational pension.

At the same time, write to the District Inspector at the Birmingham tax office (marking both the envelope and the letter "For the attention of the District Inspector" along the following lines:

"In accordance with regulation 10(1) of the Income Tax (Employments) Regulations 1973, I give formal notice of objection to the coding of my pension as being taxable in May, and which I informally objected to in my letter of May 11."

"The ground of my objection is that, as has already been explained to your staff, the pension is exempt under article 18 of the double taxation agreement with Spain, scheduled to the Double Taxation Relief (Taxes on Income) (Spain)

Order 1978, S1978/1912. (Code OT was wrong on other grounds too.)

"You will see from my file that I have been the victim of prolonged maladministration (incompetence and persistent delaying tactics) and so I trust that you will forward my file to the Board for their assessment of the compensation which should be offered to me under the Taxpayer's Charter scheme."

"Meanwhile, please ensure that WITHIN TEN DAYS OF RECEIPT OF THIS LETTER there is despatched to me either (a) a NO-TAX coding notice or (b) formal notice of your refusal to change my coding forthwith, so that I may proceed immediately to have the question determined by the Appeal Commissioners at their September meeting. I shall strenuously resist any attempt on your part to seek an adjournment or postponement of the hearing of my appeal, but I hope that you will not in fact force me to appeal to the Commissioners by any further prevarication over this simple matter."

If you receive no response within a fortnight, write to the Chairman of the Board of Inland Revenue, Somerset House, Strand, London, WC2R 1LB, United Kingdom, enclosing a copy of your letter to the Birmingham District Inspector.

Property pitfalls

LAST JANUARY I let the house which I jointly own with my girlfriend and rented a house (for up to two years) which was more convenient for our jobs and which some friends had restored, before being posted to Canada. The rent we pay is £200, and the rent we receive is £250, both on annual rental agreements. Our mortgage is £50,000 and we pay around £500 per month in interest after basis tax relief on two x £20,000. We are both higher rate taxpayers.

Can you advise how we should treat our rental income for tax purposes and is there any possibility of our obtaining tax relief on the last £30,000 of the mortgage?

As a first step, ask your tax office for the free pamphlets

Q&A BRIEFCASE

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

IR1 (Extra-statutory concessions) and IR27 (Notes on the taxation of income from real property). In the IR1 (which contains a loose supplement), look at concession A57 - Mortgage interest relief: temporary absence from mortgaged property. Then, either go back to your solicitor for guidance, particularly in respect of section 356C(2)(c) of the Income and Corporation Taxes Act 1988, or look up sections 356C(2)(c) and 356D(1) in a local reference library in, for example, volume 6 of Simon's Taxes.

On the limited data provided, we cannot give you as helpful a reply as we should wish. You may well find, however, that your decision to go ahead last January without taking the precaution of checking the prospective tax position beforehand (with your solicitor, for example) will ultimately prove unacceptably expensive.

It nearly always pays to seek professional guidance on the taxes etc before entering into transactions relating to prop-

Covenant lesson

MY WIFE and I are assisting our son with the fees for the private education of his daughter (aged 10) by means of a deed of covenant which has four years still to run. In addition, we have a sum of £12,000 in a Building Society account in our joint names for our grand daughter.

We are informed by the Building Society that we can transfer this account into her name which we intend to do in April 1991. The question of inheritance tax should not arise as my wife and I each have sufficient funds to transfer £2,000 both before 5 April 1991 and just after that date.

My question is: can my son also include the tax which will be deducted from the building society interest (after April) when he submits his annual deed of covenant repayment claim for his daughter in the tax year 1991/92?

My son thinks it will be too much of a 'hassle' to apply to the Revenue to have the interest paid gross.

■ Although it would have been helpful if you had sent us a copy of the deed of covenant (because we like to have a firm base for the advice we give to readers), we feel confident that we can say: YES.

If you have money to invest: you have a problem.

Our business is investing money. ■ That, and providing financial advice, is all we do. ■ Today, we invest and advise upon some £2 billion on behalf of individuals and financial institutions. Our investment record stands as testimony to our effectiveness. ■ We are distinct among today's investment houses in being genuinely interested in acting for private clients as well as corporate bodies. ■ We bring to private investors the same benefits that are offered to institutional investors. ■ This focus on the individual will continue. ■ More and more people have money to invest. ■ The problem is how to select between the wide, and often confusing, range of services that are increasingly being advertised. ■ Do you need a specialist investment house? ■ If so, which? ■ In the future, this problem is likely to grow, rather than to lessen. Why? ■ Because, the amount of money that private individuals have is set to grow very considerably - from legacies, pension fund payments, insurances and the value of private property. ■ Finding an investment partner, therefore, matters, and matters a great deal. ■ What is more, it very much is a question of trust. ■ At stake is your financial welfare, and that of those for whom you are responsible. ■ That is the way we at Capel Cure Myers look at managing your money. ■ We also understand that trust, like well-managed money, is something that grows. ■ If you feel that what we have written strikes a chord, we would be happy to talk.

You can telephone John Kennett on 071-488 0707 or simply fill in the coupon.

The value of investments and the income derived from them can go down as well as up.



CAPEL-CURE MYERS

CAPITAL MANAGEMENT

DEDICATED TO THE MANAGEMENT OF MONEY

To John Kennett, Capel-Cure Myers Capital Management Limited, The Registry, Royal Mint Court, London, EC3N 4RY.

Name _____

Address _____

Postcode _____

Daytime Telephone _____

Capel-Cure Myers Capital Management Limited, The Registry, Royal Mint Court, London, EC3N 4RY.

Members of The Securities Association and the International Stock Exchanges.

has not

of the

Bill

into

certainly

was

called

is's book

imaging

lit-bro

above this

ckenzie is

confirm

flourishes

nd it, and I

but Davis

es that it

ik by two

mid-spring

plants will

woody and

flowerless

usually say

value of this

some recent

of the new

servatories

and Mandevilla

it be warm

seeds for any

a container

an open bed

hat the dusty

leaves of the

remontend-

ely painful

eye or skin."

account for

plants and

pleasant itch-

would like to

those which

instance, does

ered Cytisus

lth its silky

rely on some

most never on

all shrubs are

ined. I have

of the bushy

n either cate-

ictures that

and back to a

solid

graphy revives

id tantalising

is forecourt

garden, over

an a manellous

sen shrub which

ing of hanging

in August. Cat

a on about 1

sp, acid soil, b

hat it "does w

se" - his came

spectacular pi

flowers.

u, he thinks

the plant as

"poor rooting

a first plan

it "soon gro

problem, in sh

is not the na

itself: it lies

mies, impact

a you and me

in Lane I

pas

e recommende

is or for place

inated by a

ard it as a b

will agree.

that anyone

milla and cer

that I grow

It holds its

4, they are s

y wind, and

emselves are

d exquisitely

ged with lime

are. The leav

green and cr

orm a shape

ses need to b

eking in and

its, as the le

ly firm and

inflict a deep

is a common

y pompous w

riters wa

resses are r

a kinds und

have never

elloana or a

damaged tr

erts advise t

in the spr

I agree. T

love sunshi

le for shade

ok well and

y the sea, b

ed to inland

a they shed t

age and re

ll the

es str

n the

il ready for

in The Bin

njoy choos

es for layi

ur own fin

Bin Club

Old Brew

kwar

GL12 8NB

0454 2940

0454 2940

PERSPECTIVES

Lost to us all: the Mongolian Gerbil Society

Peter Miller on a directory of
the sublime and the ridiculous

THE DRINKERS you saw last night in the pub staring silently into their beer may not have been morose. They may not even have been interested in the beer. It is more than likely that they were tegetologists on a field trip. Those are beermat collectors to you and me. Numbering 500 in Britain, they are one battalion in the army of associations which pursue private and corporate interests under the generalship of an honorary secretary or other officer.

There are lots of these groups. Km in the UK and Ireland if you count local societies within national federations. Their interests range from the particular to the cos-

Edinburgh has been on the go for 485 years.

Where the cachet of history is missing, weight of numbers offers distinction of another kind. Few of the 7.5m members of the Automobile Association know one another, but they are the nation's biggest club. At the other end of the scale, nothing comes close to the exclusiveness of the Flat Glass Manufacturers' Association which - by virtue of the corporate takeover and a point of law - has a membership of one.

In the past, there were more manufacturers and more members. One by one, however, the companies either ceased to trade or were bought up by the Pilkington group, which is now in sole possession of the field. Pilkington continues to find it worthwhile to belong to the FGMA because of the privileges accorded trade associations which represent an industry.

"The association acts as a post box. It allows us to have access to government documents that would not be given to a company," says Kenneth Jackson, strategic projects manager at Pilkington and the association's secretary.

Through it we are able to send representatives to sit on codes and standards committees, and it gives us links into Europe on a similar basis.

Inattention or inactivity can cause some societies to sink from view and to fail to keep in touch with their members and the public. For this reason, the Directory of British Associations operates a laser-house for uncommunicative societies in the form of a dozen blue pages at the back of the book. In them are listed the organisations that have failed to respond to queries about their purports and whereabouts, or which cannot be traced by other means.

When they are known to be stirring again, they are returned to the main entries. Thus, the National Federation of Badger Groups reappeared between 1988 and 1989. The National Mongolian Gerbil Society is, alas, still lost.

To follow business and personal interests, the Directory editors themselves belong to some 20 associations. These include the European Association of Directory Publishers and - in George Henderson's case - CARRA, the Campaign for Real Ale. He is less interested in what goes under the glass.

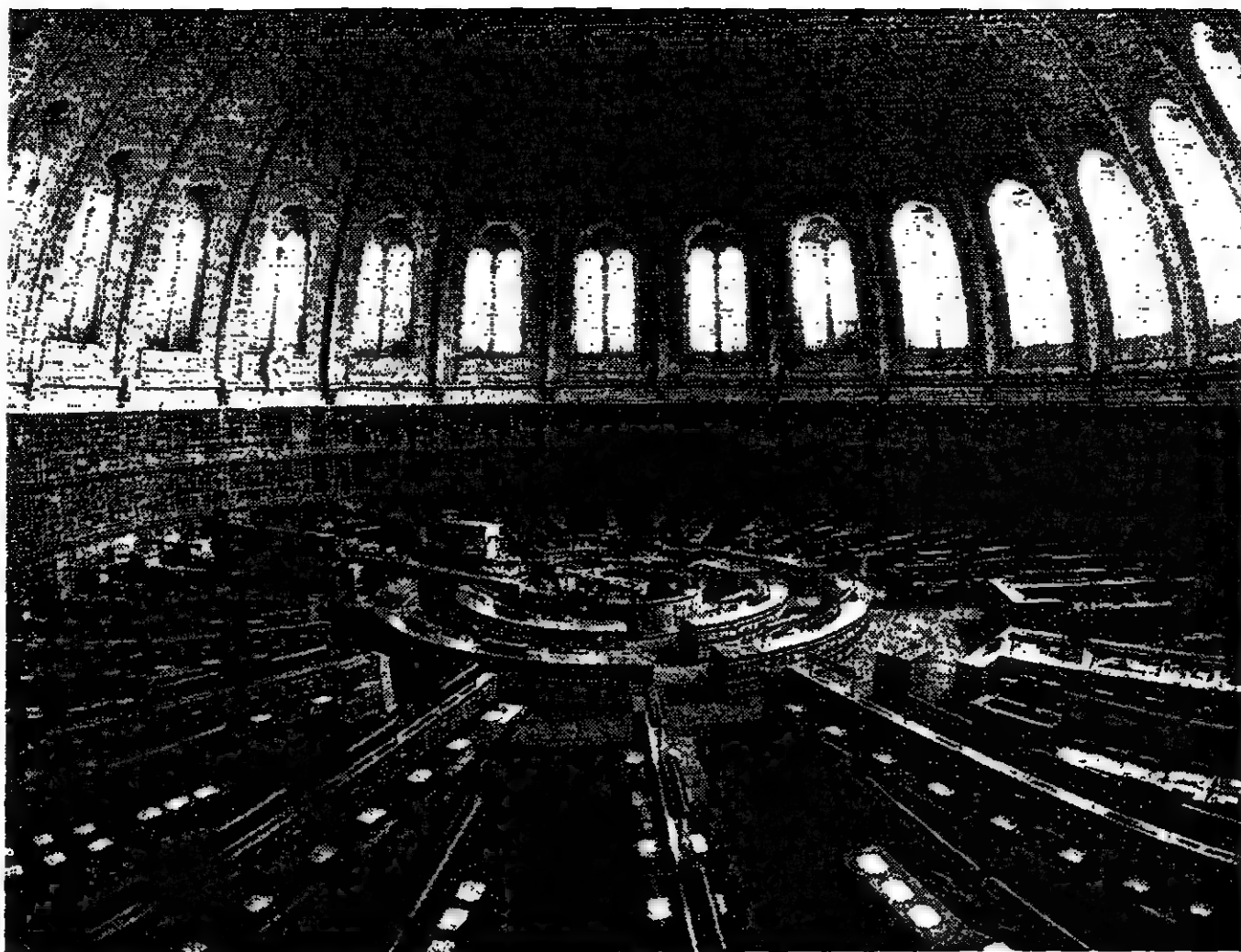
You can't beat
the Flat Glass
Manufacturers'
Association for
exclusiveness

mic. ("To build an embassy for the Elohim, our fathers from space who created humanity scientifically" is one of the aims of the Raelian movement.)

According to one measure, the English and the Celts are becoming ever more clubbable. The Directory of British Associations now lists more than 8,500 organisations - a 76 per cent rise on the 3,700 entries in the 1985 first edition, "and a fourfold increase in weight," says George Henderson who, with his wife Prue, edits and publishes the volume under the imprint of CDD Research.

The directory does not attempt to be comprehensive. Governing bodies serve to represent their sometimes myriad constituents and certain types of organisation - political parties, for example - are left out.

As a class, the chambers of commerce appear to be the most successful at propagating themselves (308 local, 41 overseas), though there is an impressive showing by specialist medical associations. The oldest society still functioning is the Honourable Society of King's Inns in Dublin, the institution that trains barristers in Ireland, which was founded in 1200, pre-dating the most ancient of the Oxbridge colleges by half a century. The Royal College of Surgeons of



The Round Reading Room: generations of scholars will view its passing with a pang of regret

A new chapter opens in the life of the reading room

The British Library is to move to a new hi-tech home. What would the ghost of Enoch Soames make of it all, wonder Anthony Curtis

ON JUNE 3 1897, the Devil made a deal with the poet Enoch Soames. It was solemnised at a little French restaurant in Greek Street in London's Soho, and as Max Beerbohm, who was also present, explained, it enabled Soames to peek into the future.

Behind a mask of indifference to his contemporary reputation, Soames was deeply wounded by the neglect of his work. He compensated by thinking of the voluminous attention - commentaries, critical studies, bibliographies - his poetry was going to receive from posterity. The Devil proposed to him that in exchange for his soul he should be allowed to visit the British Museum Reading Room at the end of the 20th century 100 years on - that is, on June 3 1997.

In Soames's day the Library and the Museum were one and the same. In 1973 an Act of Parliament separated them and gave the Library its own independent existence. The place Soames visited is now called the British Library Reading Room.

To discover exactly what happened when Soames made his fatal voyage in the time machine I must refer you to Beerbohm. If you have not yet read "Enoch Soames" (in Seven Men) you have a treat in store. The story contained a prophecy of how the Reading Room at the end of the 20th century might seem to a late Victorian. The outward appearance of the great round room was reckoned to be the same, but seated doing their research at the readers' desks were a curious collection of people much influenced in their style of dress by Bernard Shaw's Juggler biographies.

The catalogue and the more recent books were printed in phonetic spelling, again betraying the influence of Shaw.

That dig at Shaw and alphabet reform is but a tiny inaccuracy in the greater inaccuracy of the wise delightful fantasy. It seems likely that the Bloomsbury Reading Room will not contain the work of any poet at all in 1997, and that to fulfill his part of the bargain the Devil will have to re-direct Soames to the new general humanities Reading Room in the Euston Road.

For the British Library is about to move house. It is going from Bloomsbury to St. Pancras, not far as the crow flies, but in other respects a move of some complexity.

Its new modern building, designed by Professor Colin St John Wilson, to be fronted by a statue of Isaac Newton by Eduardo Paolozzi, is already well advanced. You can see the site next to the Shaw Theatre as you drive towards King's Cross Station. Some of the stacks are now in place in the three-level basement. It is already possible to envisage the completed building and to observe such dominant features as the large rounded windows on the outside walls.

The total extent of the site purchased by the Crown is 11 and a half acres; just how much of this will eventually be occupied by the new Library is not yet clear.

The first phase of the move will be completed in 1993 with the opening of the science, technology and industry collections (the latter contains 350 world-wide patents dating from the 17th century). The humanities collection - the material

we normally go to the Reading Room to look up and read - will not be moved until the completion of the second phase in 1996. By then 11m volumes will have been brought from 18 different locations around London to this single site, where they will be accommodated in more than 300 linear kilometres of shelving.

Along with the other 10,988,597 titles, Soames's three slim volumes of verse (and any critical commentary they may have inspired) will be recorded in the Online Public Access Catalogue (OPAC) and the poor fellow will have to sit at a computer terminal and key in his own name to find out the current state of Soames studies. Should he wish to see his precious volumes again he will have to order them via the terminal - a simple matter of putting the cursor on the title required and then keying in the number of his desk and his

*'Eloquent voices
are lamenting the
passing of the
domed library'*

reader's ticket.

Being a data-base the catalogue will offer more features than the present printed one. Should Soames, for instance, wish to discover what work has been done during the past century on his favourite subject, diabolism, he would be able to make the catalogue give him a list of items by keying in a few more commands.

In other words, the new catalogue will have a subject as well as an author index. Eventually a red light will flash on Soames's desk to inform him that the books are ready for him at one of the collection points of the new Reading Room. This should be within about 20 minutes from the placing of the request and not, as often happens at present, after a delay of one or two days while the books are recovered and then brought by van from Woolwich or various other locations.

The two main collections which will not be housed at St. Pancras after 1996, and whose items will not be immediately available on site, will be the National Sound Archive, which will remain at South Kensington, and the newspaper library collection at Colindale. However, runs of many newspapers will be kept on microfilm at St. Pancras.

The Reading Room at Bloomsbury has 365 desks; the Reading Room at St. Pancras will have 500. The new Rare Books Room (the counterpart of Bloomsbury's North Library where a reader has to work if he wishes to consult an especially valuable book), the Maps, Philatelic, and Music Rooms will also have increased accommodation.

In these Rooms thick glass panes and windows in the ceilings will admit a measure of natural light - what the architect calls "ambient light". Triple-glazing will mute noise from the ring-road. Some readers engaged upon lengthy research will have a number of "carrels" - small cells containing a chair, desk, shelves, a book or two, and a power-point for a personal computer. In which a scholar may immerse himself for days with the material on which he is working,

the world forgetting, by the world forgot.

There are undoubtedly many other advantages of St. Pancras for the comfort of readers, let alone for the working conditions of the Library's staff and the storage of the books, both of which have suffered health risks for many years from the structural inadequacies and the lack of environmental control - over the temperature, humidity, pollution-content - of the present accommodation. But there are eloquent voices to be heard lamenting the imminent passing of the great domed library designed by Panizzi, and executed by Sydney Smirke in 1887. An "unofficial committee" has been formed, chaired by Roy Jenkins, now Lord Jenkins of Hillhead, to make proposals for its continued existence as a Reading Room.

Seen simply as bricks-and-mortar, the Round Reading Room belongs to the British Museum. The Museum is the landlord, the Library is the tenant.

The same is true of the King's Library which houses the priceless collection of books and other items - it includes all four folios of Shakespeare, a first edition of *Paradise Lost* and many other treasures - assembled by George III and bequeathed to the nation by George IV on the condition that it should always be kept as a collection, housed "in a repository to be appropriated exclusively for that purpose." A room in the Museum was designed for it by Robert Smirke in 1823.

A new home for the King's Collection has been designed at St. Pancras, a glass tower 17 metres high and 21½ metres long. The many visitors, as distinct from readers, whom the new Library buildings will attract will be able to visit the King's Collection in this proud tower just as the visitors to the British Museum may visit the Collection at present in its own room, one of the Museum's exhibition rooms. What future

*'Dickens is one
outstanding
example of a
Victorian user'*

visitors will be deprived of seeing is the Collection in the setting specially designed for it.

Apart from a generous amount of exhibition space surrounding, but quite separate from, the Reading Room, the new Library building also contains a 250-seat auditorium, several conference rooms, and in the spacious piazza, an amphitheatre ringed by pedestals supporting sculptures, where performances and concerts will be held.

Meanwhile, back at Bloomsbury another use will have to be found for Smirke's shelves and break-front book-cases now housing the King's Collection. The present idea is that they will be used to house the ethnological collection from the Museum of Mankind. This, comments the Roy Jenkins Committee dryly, "will be rather like replacing the 1760 Adam furniture of Kedleston with some very good mid-nineteenth century pieces."

As for the Reading Room itself, all sorts of notions are being floated. Perhaps it could become a vast concourse where

visitors to the Museum could throng and admire its splendour? Hugh Thomas, the historian, believes that it should remain as a humanities reading room, an alternative to the one at St. Pancras. It will be for the Museum, its Director and Trustees, to decide what is to be the ultimate solution, to take effect in 1998, of this problem.

Whatever is decided, this will be the historic moment when the symbiotic relationship that has existed since the 18th century between the Library and the Museum will be over once and for all, and the new Library, a great 20th century storehouse of knowledge in every department of research, will be born.

No-one who has used the old Reading Room and has fond memories of fruitful, contented, and frustrating hours spent there can view its passing with anything but an immense pang of regret. None the less, one must look now to the new dispensation and the undoubted benefits it will bring.

The period of the Round Reading Room's great glory was the Victorian period, when it became an embodiment, in terms of education, of the notion of Self Help. For many able men and women whom circumstances had denied any higher or university education it represented a college, a common room and a place to work, free of rent and tuition fees.

Dickens is one outstanding example of a Victorian user. Karl Marx is another. For Marx it was a place where he not only worked himself but where he regularly mustered his closest colleagues and members of his family.

Two of the late Victorian Reading Room's most impressive graduates in English literature were Shaw and George Gissing. Both spent much of their working lives in the Reading Room when, as free-lance writers, they were struggling to make their names. It was there that Shaw met William Archer, a meeting which led to Archer's recommendation of Shaw to various editors, and to Shaw's career in journalism.

A description of what the Reading Room was like at that period and the literary notations and jargon one might have encountered there is given by Gissing in his novel *New Grub Street*. Gissing's more intimate recollections are to be found in his *The Private Papers of Henry Ryecroft*, of which the following is an example.

"Once, on going down into the lavatory to wash my hands, I became aware of a notice newly set up above the row of basins. It ran somewhat thus: 'Readers are requested to bear in mind that these basins are to be used only for casual ablutions.' Oh, the significance of that inscription! Had I not myself, more than once, been glad to use this soap and water more largely than the sense of the authorities contemplated? And there were poor fellows working under the great dome whose need, in this respect, was greater than mine."

The modern reader when working at St. Pancras, bathed in ambient light, or pausing for meditation at one of the benches placed around the perimeter, or dining in the public restaurant, ought to spare a thought for his heroic Victorian predecessors and their casual ablutions...

Archaeology

The Golden Calf which escaped

Efrat Shvily on the discovery of a
rare and ancient religious relic

AFTER MORE than 3,500 years buried in the rubble of a temple in the ancient port of Ashkelon, the revelatory Canaanite "golden" calf unearthed last July by a delegation of Harvard archaeologists is being prepared for its first trip abroad by its new custodian, the Israel Antiquities Authority.

Exactly where and when it will travel has yet to be set, but the authority intends a world audience for what is not only an exquisite piece of Canaanite art but also the first image of the God's biblical arch-rival to be found.

The absence of remains of Canaanite calf images was so complete that it was tempting to believe that they had been erased by God's wrath. But it was, after all, not so easy for a golden calf to survive three millennia ago.

Calves were worshipped by the early Israelites when, at moments of doubt about their newly acquired belief in the monotheistic Jehovah, they relapsed into old Canaanite customs. One such moment of relapse came during the exodus of the Israelites from Egypt, when Moses delayed his return from the mountain and "the people assembled about Aaron and said to him, come make us a god who will go before us." (Exodus 24, 1-30). Aaron responded by casting the golden rings into a calf.

"And it came about, as soon as Moses came near the camp, that he saw the calf and the dancing, and Moses' anger burned and he threw the tablets from his hands and shattered them at the foot of the mountain. And he took the calf which they had made and burned it with fire, and ground it to powder and scattered it over the surface of the water, and made the sons of Israel drink it."

Fortunately, the Ashkelon "golden" calf experienced nothing of the sort. It was discovered well-preserved inside a broken pottery shrine, almost intact, with only one horn missing. As Jehovah's arch-rival, though, the calf is something of a disappointment.

First, it is not golden. The

body is made of bronze with the legs, head and tail cast with an overlay of white metal sheet, believed to be silver. However, polishing marks indicate the calf might have been burnished to a gold-like colour.

Moreover, the calf is tiny. It weighs just 400 grams and is only 4½ inches (11.5 centimetres) long and 4½ inches tall. After it was unearthed it found a temporary home in a lunch box owned by Dr Lawrence E. Stager, Dorot Professor of the Archaeology of Israel, director of the Harvard Semitic Museum and head of the delegation which discovered it.

Now that his team has had time to study the calf, a number of less obvious features have become clear. It is cast from seven different moulds: the two halves of the body were assembled over a lead core, while the legs, head, horn and tail were cast separately. According to Dr Stager, the calf's delicate features and complex structure are proof of the sophistication and importance of image casting in Canaanite society as well as a likely explanation of the calf's vehement rejection by early Judaism.

"The Israelites manifested such total rejection of images precisely because they emerged out of a culture where images were so central and highly developed," he says. "They needed to do so in order to distinguish themselves from the others and define their cultural boundaries."

At the time the "golden" calf was worshipped, Ashkelon was the largest port town in Canaan, with 15,000 to 20,000 inhabitants. The town was ruled by a king and enjoyed great wealth, as its surviving pottery suggests. The "golden" calf, well hidden in the rubble of a temple destroyed as early as 1550 BC, survived many an occupation - Philistine, Phoenician, Roman and Byzantine, among others.



Legend in a lunchbox: Dr Stager with the "golden" calf

"The Ultimate Exercise Machine"



Recently introduced into the UK, the Pep Pool is effectively an endless swimming pool. Yet it fits into a space just 10x20.

Invented in America, the Pep Pool's unique patented paddlewheel system allows you to swim at any speed you choose, up to a vigorous 4.5 mph.

But, unlike water-jet pools, the current is smooth and even, so you can actually swim hard and get a good workout.

There's no better way to exercise - unless you install an Olympic-size pool. £22,000+vat including filter, pump, heater and installation.

**The
Pep pool
SWIMMING MACHINE**
THE ULTIMATE WORKOUT
PEP POOLS (UK) Ltd. 12 Keith Grove, London W12 9EZ
TEL: 081 749 3343. FAX: 081 746 1502.



IMPORTANT JEWELLERY AUCTION

Tuesday 25 September at 1.30pm

Phillips Fine Art Auctioneers will be holding the first major jewellery sale of the new season; the Regency, Victorian and 20th century periods are comprehensively represented - including a Cartier "Zoological menagerie", a rare translucent jadeite pendant, a selection of diamond and pearl pieces and an impressive diamond tiara.

Viewing: TOMORROW, 2pm-4pm,
Monday 9am-4.30pm
and morning of sale
9am-11.30am.



A Cartier gold brooch,
modelled on a legendary jewel.
Estimate: £2,000-£2,500.

101 New Bond Street, London W1Y 0AS. Tel: (071) 629 6602.

LONDON • PARIS • NEW YORK • GENEVA • BRUSSELS • ZURICH
THE HAGUE • DUSSELDORF • STOCKHOLM
Twenty nine salerooms throughout the United Kingdom.
Members of the Society of Fine Art Auctioneers.



INTERIOR DESIGN TRAINING

The KLC 30-week Diploma Course is a sound investment for anybody who wishes to make interior design their business.

Designed to qualify people for a future career in an extremely professional and financially rewarding business, the KLC Diploma Course encompasses the full spectrum of interior design under the direction of working professionals.

Equipped at the end of their course with a portfolio based on three practical projects per year, a KLC Diploma Course student enjoys excellent career prospects with the knowledge, business training, practical grounding as well as confidence to reap the rewards of 30 weeks' very hard work.

For further details free of charge
KLC Limited 5 Blythe Road London W14 0TW
Telephone 071-662 2292

A MEMBERSHIP OF KLC

FOOD & WINE/GARDENING

Damp dungeon of delight

IN THE railway arches underneath London Bridge station, just a few doors along Tooley Street from the advertised London Dungeon "war work museum of horrors", is another, more discreet cellar piled high with Stimulation, Sensation and Self-Indulgence.

Between £20m and £30m worth of wine lie slumbering in the 75,000 square feet of dank warehouse that constitute Trapps Cellars (071-407-4422, fax 071-376-1746) where London's three biggest traders in seriously fine wine - Christie's, Sotheby's and Farr Vintners - keep their stocks. The auctioneers use Trapps because they have bonded as well as duty-paid warehousing, and because Tooley Street is so close to Central London. But auctioneers have customers and many of those customers, from all over the world, now leave their wines to mature at Trapps too.

More and more of the 150,000 wooden cases, and increasingly soggy cardboard boxes, lodged chez Trapps simply stay put; only the documentation betrays the fact that they might have changed hands three or four times in the last month. According to Trapps' co-founders John Davis and John Heather, 90 per cent of their 2,500 clients are private individuals who lodge their wine collections with them - either because their own accommodation doesn't run to a cellar (and whose does now days?) or because they live abroad but like to take advantage of London's status as hub of the world's fine wine market.

And these are serious collectors. I'm impressed enough by a single bottle of Romanée-Conti or Petrus, but at Trapps there are pallet-loads of a single vintage of both these rarities, making a single stock worth perhaps £20,000, the same as a new BMW 325. The BMW depreciates of course, but then it takes real effort rather than a slip of the hand to smash it.

I made my first visit to Trapps earlier this month, and my strongest impressions were nasal rather than visual. As I entered I was overcome by wafts, not of wine, but of damp, mildewed wood and musty cardboard.

Messrs Heather and Davis are yet to reap the blessings of the computer age. Such is the intricacy of their particular business - lots of mixed cases of ancient bottles each of whose precise fill level, place of bottling and state of label must be individually specified - that the computer programme used by other wine and spirit warehouses has had to be specially rewritten. I began to see why Christie's and

Sotheby's, to whom a low fill can make all the difference to bid price and customer satisfaction, are prepared to use a company that, to an outsider, looks Dickensian and smells downright damp.

"The cash and carries pulled out because of the humidity," John Heather told me said happily. "The longer goods are stored here, the more the labels suffer, but the wine's super. We still get complaints, particularly from Americans, but we say 'What are you drinking, the label or the wine?'"

We wandered through the ill-lit vaults, underneath sooty stalactites of mould, past furry, grey stacks of wooden wine cases that said 1882 but looked as though they'd been there since 1882 - all of which does the wine no harm at all, of course. In fact the indomitable Lalou Bize-Leroy, head of the famous Domaine de la Romanée-Conti withdrew her entire American stock from one California warehouse

Jancis Robinson visits a mildewed warehouse full of the best vintages

because it was too dry and she was worried the corks would shrink and let in air. Heather has only two concerns about Trapps' dripping humidity: it can be a problem keeping their sticky labels on the wooden cases and cardboard tends to become a mulch. As for Corbier, the major Bordeaux house that has persisted with cardboard - well it paused by a toppling stack of their second growth Chateau Gruaud-Larose to make his point.

Temperature of course is the other major factor, and Trapps' co-directors maintain that the temperature in their vaults varies by a Fahrenheit degree a month at most with an average in the mid-fifties.

They started the company after their old employer across the road, the St Olaf Bonding Company, was particularly rapidly wound up by Hays Wharf early in 1982. Their St Olaf legacy includes some ancient cases of rum, a service industry attitude that may be almost as dated, and several valuable stacks of hundreds of bottles of 1966 vintage port that was bottled there in 1981.

"Yes, we have precious little grog here", said John Heather with some satisfaction. A few plastic drums of retsina and a quan-

tity of strange Chinese liquid he called "Mucky Lou" was the only evidence I could find of the wines from drawers lower than the top one.

It was strange to tour a cellar with someone concerned with practical aspects other than the contents of the bottles. John Heather shook his head at that pile of Romanée-Conti. "DRC are so annoying," he said. "They will not put the name of the wine on the case end, they put it on the side where we can't see it."

If most of his customers are connoisseurs of wine, he is a connoisseur of case ends, many grander examples of which line his office, once he has removed horrid felt tip marks ("we keep telling our customers - keep your ink off the box ends") and vanished them. The trouble is, some of those naughty wine producers, even quite smart ones like Chateau Mouton-Rothschild, insist on stamping the vintage year on the case end instead of embossing it as better-behaved first growths such as Haut-Brion do.

"I'm much more pleased with my Haut-Brions," he confided, "they've got more character and a nice deep embossment." Customers as well as Customs fall short of Heather's ideals of reasonable behaviour. Some "like to come down and pat their wine. We don't encourage it." Some ring up wanting a couple of bottles of vintage port to be delivered for a dinner party that evening. "Well, it would be mud, wouldn't it?" Heather asks for one bottle from each of a number of different cases (which seems a very understandable request to me) and Trapps are, to their credit and unlike most warehouses, quite prepared to do this at no extra charge.

Average storage charges are £5.50 a case or part case a year plus £1 per item in a mixed case.

"We cannot pretend to be the most efficient, as our customers know," John Heather admitted. "But we are the most careful and we go to great lengths if we find something is missing or broken."

To Lindsay Hamilton of Farr Vintners, some of Trapps' cellar staff are usefully knowledgeable about wine. I wondered provocatively whether he ever worried about how they came about their expertise? He paused and then laughed. "Well it's not at our expense, I can assure you."

In two weeks' time Jancis Robinson provides a guide to the services offered and prices charged by Trapps and other warehouses and merchants prepared to store wine in Britain.

Food for Thought
A taste of the Lakes

IT WAS perhaps unkind of me to berate the minister in his own constituency. He was among friends, narrating some shambolic situation which had arisen in his department when I butted in.

That was strictly off the record," he blurted out, then recovering his composure, he became charming again.

David Maclean MP, Minister for Food, had just opened the Cumbria Fine Foods Exhibition at the Lowther Show in (what was once) Westmoreland. He told us that as far as food was concerned "we had never had it so good".

I had no quarrel with his telling the audience to "enjoy their food", although I recalled the government's new measures: health warnings on unpasteurised milk and cheese, storage temperature warnings which prohibited maturation, "Enjoy your food if you know how" was more like it.

Our views naturally differed, but as we shook hands he had the grace to say "I've enjoyed our argument", but then I imagine he likes arguments in general. I sauntered off into the tent to see what Cumberland (and Westmoreland) had to offer.

The first thing you associate with Cumberland is sausages. They used to be made from the Cumberland hog, but the last of this plump breed went through the food processor in the early 1950s. The Cumberland sausage literally drew its strength from the West Indian spice trade. Before Liverpool was even a twinkle in its founders' eyes, Whitehaven, Ravensglass and Maryport were buying mace and cloves and pepper from the islands. The spices were used as preservatives: a pig killed at Christmas could be turned into sausages and eaten as late as the following summer. All without refrigeration! What does the minister say to that?

The former Liberal MP Sir Clement Freud recently said that one particular smoked Cumberland sausage was "better than sex". I tasted the sausage in question (Old Smokehouse, 0768-67773) and came to the conclusion that were I to be obliged to forgo sex for sausages, my choice would be for those made by Bar Woodall (0965-7287). In the traditional cold. They are 100 per cent pork and made from a closed herd of Landrace pigs which is totally disease free.

Woodall's sausages, however, came second to his hand-cooked ham: an air-dried Bayonne type which was pleasantly unsalty and best of all his "mature royal ham". This is a pickled ham made from an old Suffolk recipe which uses a bath of brown ale, treacle, vinegar and brown sugar before being lightly smoked. It is one of the most exciting English hams I have tasted in years.

"If it moves, smoke it" might be the motto of most of Cumberland's new food firms. Although I like the taste of smoke, I think this has been taken to absurd lengths. Exceptions might be made for the raw smoked prawns of New Mills Trout Farm (06877-2384) and Ashdown Snappers (0457-8324), which makes smoked hams from the local Herdwick sheep.

I also highly recommend the Cumberland Farmhouse Cheese produced by the Thoraby Moor Dairy (0965-43160). Not a traditional cheese: it was told, as the old Cumberland truckle was formerly deemed good "only for soiling clothes". This was a cheddar type with a good bite. It is unpasteurised, and Maclean will doubtless soon be appending a health warning.

Giles MacDonogh

Gardening

A salesman's solution to problem plants

ARE WRITERS on gardening honest? I'm sure that we all try to be, but perhaps we are no more dishonest than any other group with a sceptical public. You all know better than to believe whatever you read without trying it. If it goes wrong, we can always blame your micro-climate. But writers have their conventions which impose their own limits: we all say much more about things which are going right than about the well-known problems which usually go wrong.

Most of our dictionaries, catalogues and gardening memoirs match plants to positions, general or particular: they are full of enthusiastic praises. Memoirs tend to mark out a few black sheep or (in my case) beds of heather: it helps to be given a job and to read that not everyone likes the plants with which you have been co-existing.

Very much less is said about individual problems. We still write with the myth that most plants have none (except for the visits of greenflies) and that a very few are very difficult (and therefore particularly challenging). The myth is that most plants are amenable and do not come with well-known lists of drawbacks.

It is for this reason that my ideas have been given an over-ride by Brian Davis's new illustrated guide to climbers and all shrubs. He is well qualified for producing, for some years he ran the widely-stocked plant centre at Sherborne, Newbury. He knows the plants which he lists and discusses; the photographs are his own; he is no longer trying to sell them and so he can take a dispassionate view.

There is a fine passage in the writings of the philosopher Descartes where he remarks that if you wanted to know the truth, he would think first of turning to a person whose livelihood depended on it. Descartes probably did not meet many salesmen. Ex-salesmen are another matter: they know the inside story.

The Illustrated Encyclopedia of Climbers and Wall Shrubs is not particularly cheap (£18.99 from Viking) or elegantly type-set and designed: somebody has made a mess with primrose-yellow and heavy black printing. Brian Davis's own photographs illustrate each family carefully, although some of the shots are in close-up, which I never find much of a guide to the value of a full-sized plant. The book would be a helpful companion, but what marks it out is its unusual honesty. Under each

family, it sets a special heading: Problems.

After many years, the author has an interesting eye for problems and I have learned some helpful things. Behind them I hear the complaints and questions of customers in a plant centre who are usually expecting a quick return. It is really helpful to be told that young plants, say, of Winter Honey-suckle "give no idea of their true potential" and that all sorts of shrub cannot be judged from their wretched appearance when young.

If you have ever helped out in a plant centre, you will know that impatience is the customers' main weakness. They want a plant which looks good now, not a pile of twigs which will look much better in three years.

Here, I think you will find Davis to be very helpful. He tells you frankly that your climbing hydrangea will sit and sulk for at least three years and then race away to a much bigger height than at first, you expected. Inciden-



tally, there are now some unusual forms which he omits: there is one that leaves like a lime tree and an evergreen climbing form from Mexico which is fairly hardy and worth a gamble. Both are listed in small quantities, by Scarborough Nurseries, near Edenbridge in Kent.

He is interestingly aware of weaknesses in particular varieties. The old Clematis Dracoidis is returning to fashion as people realise its value when grown through early flowering shrubs. It has the right habit for scrambling up a Tree Peony and giving it a second season of flower in summer. I have been backing its comeback, but have recently had serious doubts: it is an old variety, but I am glad to know that it has a problem with mildew which is entirely its fault, not mine.

Problems bring their own solutions, one of which will help my happiest climbing choices in these two dry summers. Drought at the foot of a house's walls is a much-dis-

cussed hazard, but it has not been bothering my plant of the yellow-flowered Clematis Bill McKenzie.

Perhaps it has rooted into the nearby bath-pipe; certainly it has slung a lower arm around a tender thing called Bonanza (not in Davis's book) which looks like a climbing little Alstroemeria. Above this tangle, yellow Bill McKenzie is still flowering madly, confirming the view that it flourishes on south walls.

I highly recommend it, and I am helpfully advised that it should be cut back by two thirds in early to mid-spring. He warns that the plants will otherwise become woody and that they will then flower less freely; catalogues usually say nothing about the value of this pruning.

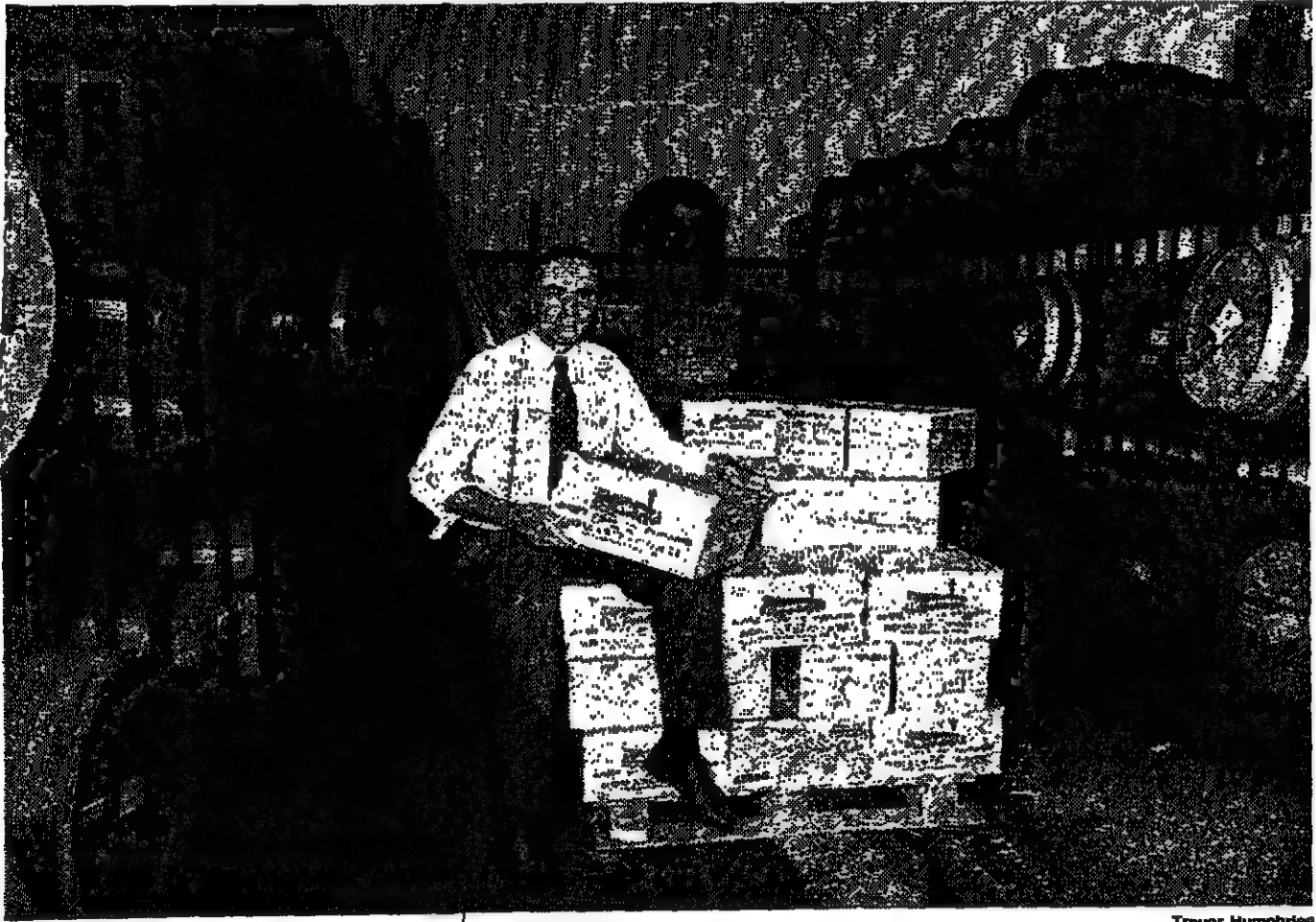
He also explains some recent tribulations. One of the new excitements for conservatories is the pink-flowered Mandevilla Alice du Pont, but he warns that it "rarely succeeds for any length of time in a container" because it needs an open bed for its roots.

He also warns that the dusty covering on the leaves of the yellow-flowered Fremontodendron can be "extremely painful if it enters the eye or skin." These comments account for several dead pot-plants and an afternoon of unpleasant itching. Sometimes, I would like to add a problem to those which he lists: why, for instance, does the yellow-flowered Cytisus Battandieri with its silky leaves flower freely on some plants and almost never on others?

Climbers and all shrubs are generously defined: I have never thought of the bushy Philadelphus in either category, but Davis pictures it and others with its back to a solid wall. His photography revives some old and tantalising dreams. In the forefront of Hidcote's great garden, there has always been a marvellous tree, an evergreen shrub which has long catkins of hanging green flowers in August. Catalogues rumble on about its need for a deep, acid soil, but Davis thinks that it "does well on all soil types" - his camera shows us a spectacular plant smothered in flowers.

The problem, he thinks, is not so much the plant as its appearance of poor rooting and growth when first planted: thereupon, it "soon grows away". The problem, in short, with an idea is not the nature of the plant itself: it lies with familiar enemies, impatient gardeners like you and me.

Robin Lane Fox



John Heather, director of Trapps Cellars, enthroned in his moist kingdom on a pallet of Domaine de la Romanée-Conti

Cookery

British lamb: a real knockout

ABOUT THIS time of year, eight - or was it a dozen? - years ago, my memory hasn't been the same since, I was knocked out by a blow to the skull and was driven by my husband to hospital.

I remember being frightened that the doctor would shave my head but he managed to stitch me up without the loss of locks, jabbed me with antiseptic and sent me home. There I girded myself with my apron and continued to prepare for a cookery demonstration I was booked to do in London the following day. The show must go on.

The blow that felled me was not the result of a domestic tiff, nor was I drunk and disoriented. I was in my own kitchen minding my own business. I opened the door of the freezer to get a loaf of bread and the accident occurred.

Unlike Denis Healey, I have never been attacked by George Howe, but I do know what it is like to be savaged by a dead sheep. I admit it wasn't a whole dead sheep, just a large, freshly-frozen leg of lamb, but the brute definitely hurled itself viciously at me from the depths of the freezer and buried itself, sharp knuckle-end down, into my powdered head.

The experience killed my appetite for cookery demonstrations, but I have not allowed it to end the measurable practice of buying a few legs and boned mutton jacks of lamb at this time of year. For

this is the season when British lamb is particularly meaty, well flavoured and reasonably priced. Now is the time to feast on it and to squirrel away some more in the freezer to cache to draw on through winter when lamb is imported and in early spring when home-produced is just too costly.

These days, however, I take the precaution of stashing these 5 lb plus legs of lamb carefully at the back of the freezer to minimise the chances of a frozen missile attack happening again...

QUINOA
September is too late to eat roast lamb with new potatoes and mint. New potatoes are no longer really new and the idea of roast potatoes seems too fatty. The smartest alternative to potatoes just now is quinoa. Like that other stylish grain, wild rice, quinoa is the seed of a grass. This one is native to the Andes and it is more easily bought from health food shops than delicatessens. Low in carbohydrates and high in protein, the tiny grains are agreeably light, tasting with a sweetcorn-like flavour.

Allow 1 to 2 oz per person. Drop the grain into just over double its volume of fast-boiling salted water and cook for about eight minutes only. Drain off any liquid remaining in the pan, season with salt and pepper, toss with a few herbs and spoon the grain round the cooked leg of lamb. That way it will be dressed by the juices that run from the joint during carving.

AUBERGINE PUREE
A puree of aubergines makes a rich autumnal partner for roast lamb, and I rate it highly with roast chicken and partridge too. This vegetable dish can be cooked ahead and reheated in a double-boiler when needed.

For six people you will need about 2½ lb of aubergines, 1½ oz each butter and flour, and half a pint of milk.

Grill or bake the aubergines



until the flesh feels soft underneath the blackened skins. Strip off the skins, chop the flesh roughly and squeeze out excess juices. Process the flesh to a puree, beat it into a very thick white sauce made with the butter, flour and milk, and simmer for several minutes to get rid of the raw floury taste. Use a large pan and protect your hand with an oven glove as the puree can pop and spit unkindly.

Some cooks flavour the puree quite heavily with Parmesan. With roast meats I like nothing better than a season-

ing of salt, pepper, cumin and coriander seed. The finished dish should be the deliciously sloppy consistency of a good French potato puree.

LENTILS WITH ORANGE & LOVAGE
Flageolet beans are a favourite pulse to serve with lamb in France and I often cannot resist the lacy appeal of using a can of them. However, I like the partnership of lentils and lentils cannot be bought in cans so far as I know.

Little green lentils from Le Puy are the best to eat and the loveliest colour. I particularly like them when their peppery mealiness is aromatised with a dash of orange zest and lovage. Because I am so greedy for them, I allow ½ lb lentils for four people but maybe this is too much.

Turn the lentils in a splash of oil with a smattering of chopped and slightly softened onion. Add a sliver of garlic crushed with salt, a celery stalk cut into crescent moon slices, a tablespoon or two of shredded lovage leaves, the juice and finely grated zest of an orange, and 1 pt of water. Cover and simmer gently until tender, about 40 minutes.

That is all there is to it - but it is wise to stir the mixture occasionally and to check whether a drop more water is needed. Season with salt at the end. If you have no lovage add pinches of celery salt and curry spices when cooking.

Philippa Davenport

All the best goes straight in the Bin

Until ready for drinking. Join The Bin Club and enjoy choosing fine wines for laying down at your own financial pace.

The Bin Club
The Old Brewery
Wickwar
Glos. GL12 8NR
Tel: 0454 294085
Fax: 0454 294090



COUNTRY PROPERTY

SAVILLS



OXFORDSHIRE 626 ACRES
 Chipping Norton 3 miles, London 75 miles.
 Lot 1: 3 bedroomed master house with stables and cottage. 35 acres.
 Lot 2: 6 bedroomed farmhouse, 2 cottages and 566 acres of farmland and woodland. Extensive farm buildings with development potential.
 Lot 3: 24 acres of accommodation land.
 Lot 4: Attractive 3 bedroomed period cottage.
 As a whole up to 4 lots.
 Savills, Stone Street, 071-738 8822.
 Contact: Crispin Holborn.
 Savills, Banbury, (0295) 243535.

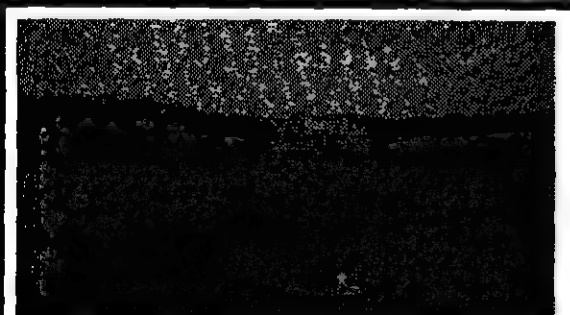


WILTSHIRE - Wilton
 Salisbury (Wilton 1 to 27 miles) 3 miles, London 45 miles.
 Fine Georgian house with beautiful grounds adjoining the River Nadder.
 Reception hall, 3 reception rooms, 7 bedrooms, 2 bathrooms, 6 study rooms. Ancillary accommodation. Oil central heating.
 Garaging. Planning consent for use of part as office.
 Indoor swimming pool. Attractive grounds. Water gardens. Frontage to River Nadder. Fishing rights.
 About 1.1 acres.
 Region £200,000.
 Savills, Salisbury, (0722) 20422.
 Contact: Christopher Lacy.



LINCOLNSHIRE 63 ACRES
 Middle Rasen
 Lincoln 14 miles, Louth 15 miles, Market Rasen Race Course 2 miles.
 A superb residential farm with excellent amenities.
 Fully modernised detached farmhouse. An extensive range of farm buildings including cattle yards and grain storage for 500 tonnes.
 3 acre reservoir currently stocked with trout.
 Region of £200,000.
 Savills, Lincoln, (0532) 534691.
 Contact: Andrew Pearce.
 COMMERCIAL, AGRICULTURAL AND RESIDENTIAL SURVEYORS

SAVILLS



On the instructions of His Grace the Duke of Roxburghe
RIVER TWEED
 Lower Floors Fishings
 (John 1 mile, Edinburgh 45 miles)
 One of the Tweed's most famous and productive beats.
 10 miles double beat fishing for 4 miles on 9 named pools. 18 prime weeks, ten year average 281 salmon. Weekly fishing rights offered for sale by syndication.
 Units of 4 rods from £15,000 per rod.
 Savills, Edinburgh, 011-236 6961.
 Contact: Jennie Burge-Landman.
 COMMERCIAL, AGRICULTURAL AND RESIDENTIAL SURVEYORS

Jackson-Stops & Staff



South Yorkshire, 3 acres
 Doncaster 8 miles. A1 1/2 miles.
 Shallock Hall. An exceptional Listed Grade II Queen Anne country house.
 Panellied hall, 3 reception rooms, study, fitted kitchen, 6 bedrooms (3 with en suite facilities), dressing room, 2 bathrooms. Self-contained 2nd floor flat. Basement. Park-like garden and grounds.
 In all about 3 acres.
 Apply: 23 High Petergate, York YO1 2ES. Telephone: (0904) 625033.



FREE TIMEOWNERSHIP WEEK WORTH £5,900
 including R.C.I. Membership with every Holiday Investment Home Purchased during our AUTUMN SALE
 Big reductions for Autumn Completion:
 Investment Packages £34,900 to £2 million.
 CGT Roll Over Relief.
 Full Management.

Sales Package: Domestic Leisure, Domestic House, Cabal, Penzance, Cornwall. TR20 8TN. Tel: (0736) 60260. Fax: (0736) 51219.

William H. Brown

COASTAL SUFFOLK



QUALITY CONVERTED BARN RETAINING ORIGINAL CHARACTER. ON APPROX 2.5 ACRES.

SUPERB ELEVATED PORTION ON OUTSKIRTS OF A QUIET VILLAGE. STUNNING VIEWS OVER OPEN COUNTRYSIDE.

Accommodation includes: Kitchen, Breakfast Room, Dining Hall and Great Hall, 4 Bedrooms.
 Easy access to A12 Dual Carriageway and Railway Links.
 FREEHOLD FOR SALE AT £275,000. GUIDE PRICE

RURAL SUFFOLK



EXCLUSIVE DEVELOPMENT OF TWO EXECUTIVE STYLE RESIDENCES. RETAINING UNIQUE FEATURES OF AGRICULTURAL BARN.

SPACIOUS ACCOMMODATION THROUGHOUT.

Each Unit has 2 Reception, 4 Bedrooms, 2 Bathrooms, Large Kitchen.

FREEHOLD FOR SALE: UNIT 1: £198,000 GUIDE PRICE. UNIT 2: £225,000. GUIDE PRICE.

ALL INQUIRIES TO: 24 MARKET HILL, FRAMLINGHAM, WOODBRIDGE, SUFFOLK, IP13 9AN. TEL: (0728) 75925.

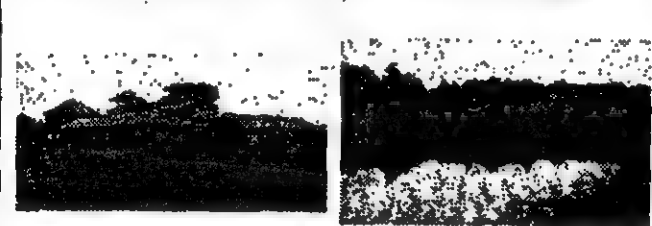
FINLAYSON HUGHES

Ardgay, Sutherland
THE GLEDFIELD ESTATE

Inverness 40 miles, Inverness Airport 1 hour
 An excellent sporting, agricultural and residential estate in a beautiful and accessible area, extending to about 5650 acres. Gledfield House has 4 reception rooms and 5 bedrooms, extensive domestic offices and 3 flats. There are 7 houses and cottages, 5 with vacant possession.
 The home farm is about 500 acres, with 170 acres of plantations and potential for further afforestation.
 Red, Roe and Sika deer stalking, rough grouse shooting and 1 mile of single bank salmon fishing on the River Carron.
 Estates Office, Ardgay, Sutherland IV24 3DH. Tel (086 32) 553

FOX & SONS
THE ESTATE AGENTSAUTUMN AUCTION OF
NEW FOREST PROPERTIES

Principal Lot: Fine Courtyard of Barns with Detailed Consent to convert into a Magnificent Country House, having lovely Trout Stream, 2 Lakes, Woodland, Copse and Pasture - approx 105 ACRES.



An exciting opportunity to create a Small Country Estate with splendid Sporting Amenities.
 plus
 A Variety of Other Lots including Cottages for improvement, and pony paddocks.

AUCTION DATE 11TH OCTOBER, 1990
 for brochures apply to our Hampshire Fordingbridge Office
 (0425) 652121

STAFFORDSHIRE/DERBYSHIRE BORDERS

"STONEHILL"
NEAR UTTOKETER

Magnificent stone built 6 bedroom country house, beautifully set in 10 acres landscaped wooded grounds and paddocks.



13 Brook Square
 Rugeley, Staffs
 WS15 2DU
 (0889) 583771

TEB Property Services (Staffs) Ltd.

BIDWELLS Chartered
Surveyors

INVERNESS-SHIRE

Newtonhill
Woodlands

758 acres

An extensive mixed age commercial forest set in magnificent countryside overlooking the Beaulieu Firth.
 Excellent potential house site in the forest.

Bidwells Perth (0738) 30666

Cambridge Norwich Ipswich London Perth

REIGATE

Pilgrims Place

SURREY

Brokes Road

THE PREMIER LOCATION FOR HOUSES RICH IN CHARACTER

A COLLECTION OF 9 HOUSES
OF DESIGNS CHARACTERISTICALLY UNIQUE
TO BERKELEY HOMES.Probably Reigate's finest location
Prices from £325,000 - £435,000

We have just commenced the building of these luxury houses, now is your chance to personalise your own home. Subject to an early reservation, a wide selection of choices is available, enabling you to create the house of your dreams.

A particularly unique feature of these properties is the concrete first floors with solid blockwork partitioning providing excellent sound insulation.



BLACK HORSE AGENCIES
 Gascoigne-Pees
 6 Church Street Reigate Surrey
 Tel: (0737) 244422

Berkeley

Berkeley Homes Ltd, (Surrey & Thames Valley)
 68 Baker Street, Weybridge, Surrey KT13 8AL
 Telephone: 0932-853455

- four and five bedroom substantial houses
- good size plots
- en suite to master and guest bedrooms
- individually designed fitted kitchens
- fully tiled bathrooms
- double glazed hardwood windows
- double and triple garages
- electronic security systems

BIDWELLS Chartered
Surveyors

North-West Essex



Saffron Walden

Ardley End Station 1 1/2 miles, M11 5 miles, Stansted Airport 8 miles
 One of the finest houses in this picturesque market town.
 Hall, 3/4 reception rooms, 4 principal bedrooms, 4 secondary bedrooms (including flat), 3 bath/shower rooms, cobbled yard with garaging, barn with potential for conversion. Beautiful gardens. About 1 acre.
 Bidwells Cambridge (0223) 841842



Wicken Bonhunt

Saffron Walden 4 miles, Ardley End station 3 miles, M11 10 miles.
 An historic Jacobean house with beautiful gardens.
 Hall, 4 reception rooms, 6/7 bedrooms, 3 bathrooms, 3-bedroom staff cottage, heated swimming pool, hard tennis court, paddocks, stabling, garaging. About 7 1/2 acres.
 Bidwells Cambridge (0223) 841842

Cambridge Norwich Ipswich London Perth

CLUTTONS

NORTH YORKSHIRE

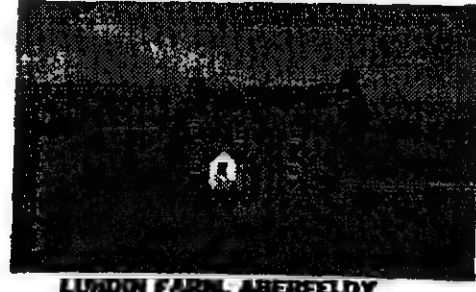
Bishopton, Near Skipton.

Harrogate 12 miles. Leeds 26 miles. York 23 miles.



A superb Grade II Listed Georgian residence set in an elevated south facing position overlooking open countryside.
 Reception hall, sitting room, drawing room, dining room, billiards room, study, library, cloakroom, kitchen, master bedroom suite, 5 further bedrooms and 2 bathrooms. Stable courtyard, double garage and garden stores. Hard tennis court. Well maintained landscaped garden to 4 sides and small adjoining grass paddock.
 In all some 2 Acres.
 15 acres of grazing land also available for rent.
 Freehold for Sale by Private Treaty.
 HARROGATE OFFICE: (0423) 523423

PERTHSHIRE



LUNDON FARM, ABERFELDY

Traditional Stone Built Farmhouse.
 3 Public Rooms, 3/4 Bedrooms, Bathroom.

EXTENSIVE OLD STEADINGS WITH PLANNING PERMISSION FOR CHANGE OF USE TO 6 SELF CATERING UNITS.
 Garden, Paddocks and 6 Acre Field Adjoining.

ALL SET IN A WONDERFUL RURAL LOCATION WITH MAGNIFICENT VIEWS AND TROUT FISHING IN THE RIVER TAY.

16 1/2 ACRES IN ALL
 FOR SALE AS A WHOLE OR IN 3 LOTS.

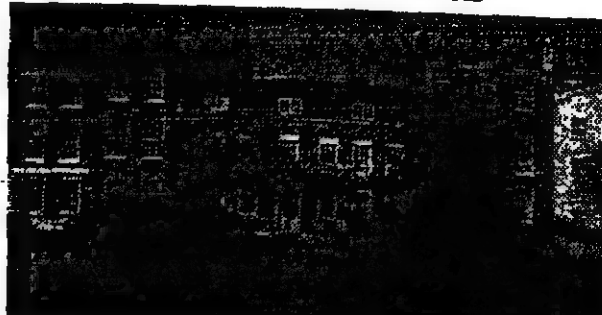
JOINT AGENTS: Polymon Hughes, Estate Office, Aberdeen, TEL: 226.
 Tel: 0887 20904.

John Clegg & Co.

2 BUTLAND SQUARE, EDINBURGH, EH1 2AS. TELEPHONE: 011 229 0300
 A Division of James & Sons

LONDON PROPERTY

CLUTTONS

CHISWICK MALL, LONDON W4
STRAWBERRY HOUSE

One of the finest Houses offered in Chiswick Mall in recent years. Grade II Listed Strawberry House is a delightful early Georgian House, famed for its beautiful walled gardens. Set in just under one half of an acre it offers spacious family accommodation with glorious southern views over Chiswick Eye and the River Thames.
 5 Bedrooms, 3 Bathrooms, Reception Hall, 4 Reception Rooms, Cloakroom, Kitchen & Utility, Wine Cellar, Single and Double Garage. Landscaped Walled Garden with Ponds and large Terrace. Front Garden with approximately 100ft. frontage onto River Thames.

FREEHOLD FOR SALE REDUCED PRICE
 OFFERS IN THE REGION OF £1,400,000 (Sole Agents)
 Mayfair Office, Tel: 071-408 1010
 45 Berkeley Square, London W1X 8DB.

SOUTHWELL - NOTTINGHAMSHIRE

£300,000



A period property of distinction standing in mature gardens of 1 acre, 4 reception rooms, 5 bedrooms, 1 dressing room, 3 bathrooms, full gas central heating, double aspect, extensive parking area. South facing garden fringed by a stream, extensive range of outbuildings, hard tennis court.

Details from Warren and Allen, Solicitors,
 Nottingham 0602 507121.

10/10/90

522 من المليون

COUNTRY PROPERTY

Humberts

Dorset Dorchester 8 1/2 miles, Bridport 10 miles, Sherborne 18 miles.



A very fine period residence set in lightly wooded grounds. 4 reception rooms, 6 bedrooms, 4 bathrooms, 2 dressing rooms, cloakroom, kitchen/breakfast room. Oil central heating. Garaging and outbuildings. Cottage, Garden and grounds.

Offers invited for the Freehold with about 2 acres.

Details: Sherborne Office, Tel: (01535) 812323 or London Office 071 629 6700

On the instructions of THE BUCCLEUCH ESTATES LTD

The Drumlanrig Castle Fishings

River Nith, Thornhill, Dumfriesshire, South West Scotland

Dumfries 14 miles, Carlisle 45 miles, Edinburgh/Glasgow 60 miles.



An exceptional opportunity to secure a 21 year lease of a specified week on the exclusive private water at Drumlanrig Castle, Thornhill, Dumfriesshire. Combined Middle and Lower Beasts: 216 miles double bank: 4 rods. Only 12 weeks on offer: September, October and November. Three year average: 10 salmon per week.

Details: London Office, Tel: 071-629 6700

Dorset/Wiltshire/Somerset border

Cirencester (London Waterloo about 2 hours), A303/M3 4 miles, Salisbury 5 miles, Salisbury 25 miles.



A superb conversion of a 16th Century Listed manor house into a modern residence and restaurant. 4/5 reception rooms, 2/3 bedrooms, bathroom, fitted kitchen. Medication Award holding, L.R. Car parking. Prices from £42,200 leasehold.

Details: Salisbury Office, Tel: (01794) 89482

Hampshire River Hamble M27 3 miles, Southampton 7 miles.



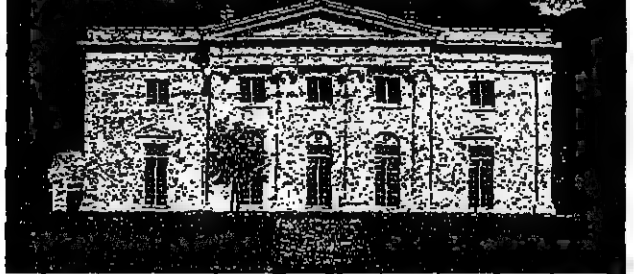
A distinctive and well appointed house in an outstanding setting with frontage to the River Hamble. Hall, 4 reception rooms, 5 principal bedrooms, 3 bathrooms (2 en-suite), 3 further bedrooms and bathrooms, cloakrooms, kitchen/breakfast room, utility room. Garaging and studio. Gardens of about 1 1/4 acres overlooking The Hamble.

For Sale Freehold.

Details: London Office, Tel: 071-629 6700

Devon Dartmoor National Park

Exeter 9 miles, A30/M5 3 miles.



Canonleigh - a spectacular classic mansion in an historic park setting. 7 reception rooms, 8 principal bedrooms, 5 bathrooms, 7 secondary bedrooms and bathroom, nursery suite, kitchen and domestic quarters, extensive lower ground floor and vaulted cellars. Indoor pool. Period lodge. 89 acres of park and natural woodland (shooting rights over approximately 600 acres and fishing rights on the River Teign).

Ideal for residential or hotel/restaurant use. In all about 69 acres.

Details: Exeter Office, Tel: (0392) 211555 or London Office 01054778420

Dorset Blandford 8 miles, Dorchester 15 miles

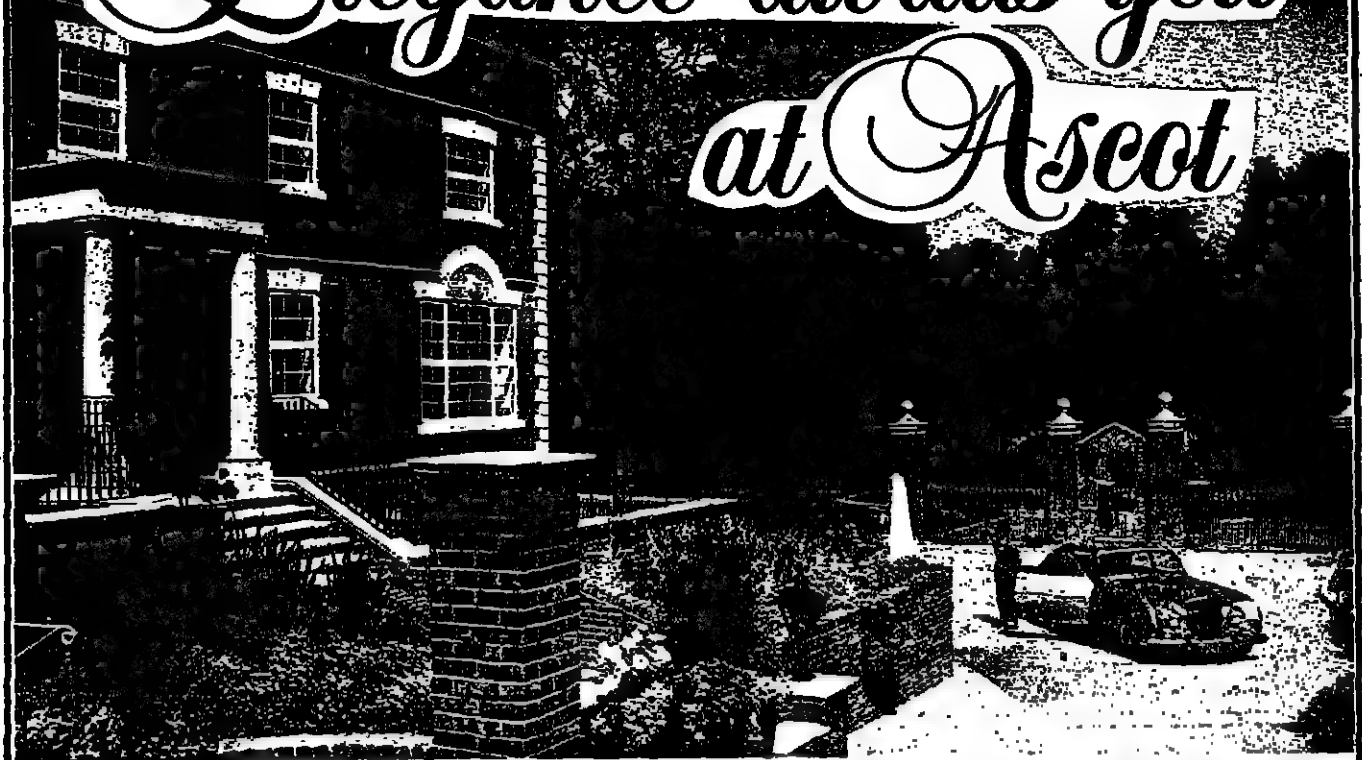


A magnificent situated 17th Century manor house with a range of farm buildings, woodshed and pleasure of high security value. 4 reception rooms, 6 bedrooms, 2 bathrooms. A redundant church and access to two fishing lakes.

£250,000 for the Freehold with about 104 acres.

Details: Blandford Office, Tel: (0259) 422443

Elegance awaits you at Ascot



PRINCESS GATE ASCOT BERKSHIRE



SHOW HOUSE NOW OPEN

COLOUR BROCHURE AVAILABLE

Twelve freehold houses built to a high specification set in over five acres of landscaped ground with a high level of security

4 bedrooms, 2 bathrooms, dressing room, shower room, 3 reception rooms, luxury kitchen, Double garages. Video-controlled electric gates. Hard tennis court.

Prices from £295,000

Overseas Visitors
Please Tel: Brenda Pegg on
0923-774066

Arrangements can be made for collection by chauffeur driven limousine



PRUDENTIAL
Property Services
Telephone: 0344-25023
41 High St., Ascot, Berkshire SL5 7HG

Humberts Chartered Surveyors
Residential Commercial Agricultural & Leisure
London Office: 25 Grosvenor Street, London W1X 9FE
Fax: 071-493 4346 Telephone: 071-629 6700

MICHAEL EVERETT & CO

WOODCOTE PARK, EPSOM, SURREY.

Probably the finest residential property in the Epsom area and set within six acres of parkland gardens, backing directly onto the grounds of the R.A.C. Country Club.

Built in 1920 by a master builder for his own occupation. This magnificent family home was constructed using the finest materials possible, particularly a wealth of oak throughout. Accommodation comprises: five superb reception rooms, excellent Beckenham Oak Kitchen, two principal bedroom suites with four further bedrooms and family bathroom. Meticulously maintained gardens. Four car garage block. Sports Complex with heated pool, tennis court, bar and barbecue. Four bedroom Staff Cottage. Direct access to R.A.C. Golf Course. Considerable development potential. All enquiries to:

87 High Street
Epsom
Surrey
0372 724477

58 The Street
Ashted
Surrey
0372 273448

BIDWELLS

Chartered Surveyors

ESSEX - Great Waltham
Chelmsford 6 miles (Liverpool Street 40 minutes),
Bishops Cleeve 19 miles, M11 1.5 miles
An important Queen Anne house
with magnificent gardens &
grounds

Galleried Hall, 5 reception rooms, 8 bedrooms,
4 bathrooms, self-contained North wing,
Paddock, heated swimming pool, hard tennis
court and river frontage.

Essex Barn suitable for conversion subject to the
necessary planning permission. About 17 acres

Bidwells Cambridge (0223) 841842

Cambridge · Norwich · Ipswich · London · Perth

STRUTT & PARKER

071-629 7282

KENT/SUSSEX/SURREY BORDERS
Cowden village 1 mile, Uxbridge and Epsom stations 5 miles.
An outstanding residential farm situated in a glorious rural
position with far reaching views. 5 bedroom Grade II farmhouse.
Detached 2 bedroom bungalow. Range of traditional and modern
outbuildings. 3 further cottages also available. About 83 acres.
As a whole or in lots. JA: Fox & Marrying, Epsom Office:
Tel. (0732) 862184. Strutt & Parker Lawes Office:
Tel. (0273) 475411. Canterbury Office: Tel. (0227) 451123.
Ref: 15A/C228

HERTFORDSHIRE
Old Welwyn 0.5 mile, Welwyn North Station 1 mile, Welwyn
Garden City 2 miles. A most attractive residential farm in an
unspoiled but very accessible location. Farmhouse with 3
reception rooms, 4 bedrooms and bathroom. Pair of 2 bedroom
cottages. Detached 3 bedroom cottage. Range of traditional and
modern farmbuildings. Arable pasture and woodland in a ring
fence. About 500 acres. JSA: Faulkners, Kings Langley:
Tel. (0923) 268166. Strutt & Parker St. Albans Office:
Tel. (0727) 40285. London Office: Tel. 071-629 7282.
Ref: 15A/C228

WOODLANDS FOR SALE

| | |
|--|---|
| UPPER HEILAR FOREST ESTATE BORN, AYRSHIRE 633 acres An interesting woodland estate of fine quality with an old farmhouse, fishing and considerable amenity. Planted between 1971 and 1974 largely with Sitka spruce it is now at the production stage. An excellent location for timber markets and the sporting rights are included. For sale as a whole or in 4 lots Asking price: £350,000 | RIVOCK EDGE WOOD NR ILKLEY, WEST YORKSHIRE 484 acres A major forestry investment and leisure opportunity close to the Yorkshire Dales. Planted since 1973 the spruce, larch and pine crops are fully established. Sporting rights included. Excellent internal road and swift access to the national motorway network, Leeds 20 miles and Manchester 37 miles. Price guide: £395,000 Contact: The Bury, Church Street, Chesham, Bucks Tel: 0494 784711 |
| BADGERS LAW BERKSHIRE 458 acres A young predominantly coniferous wood in attractive countryside on the Lammermoor Hills. Planted in 1961 and 1982 with Sitka spruce, which can be expected to enter a period of rapid growth over the next few years. Sportings included. Offers over £150,000 (£105/acre) | HIGH GLENMUIR NR CUMNOCK, AYRSHIRE 304 acres A useful and extensive area of young conifer woods in a highly accessible area of South Scotland, close to markets. Developed road system. Sportings included. Offers over £75,000 (£246/acre) |

John Clegg & Co.
2 RYLAND SQUARE, EDINBURGH, EH1 2AS. TELEPHONE: 031 220 8200
A division of William H. Brown

THE WATERGARDENS

Is also an other very development
around London town

OCTAGON

NOTTINGHAMSHIRE

THE OLD RECTORY GONALSTON

An important Queen Anne period listed country house in beautiful grounds
of approx 25 acres in this lively and sought after hamlet. Full central heating to
the elegant and gracious accommodation. A home of impressive style
immaculate gardens with small paddock and stabling.

Nottingham 6 miles; Southwell 5 miles; Newark 5 miles (London, Euston
approx 65 miles)

OFFERS AROUND £700,000

BLACK HORSE AGENCIES
Frank Innes

NOTTINGHAM TEL 0602-505081

Lane Fox

DEVON - EKE VALLEY
Barnes 20 miles, M5 (J27) and Tiverton Parkway (Junction 3) 11 miles
AN EARLY 18TH CENTURY COUNTRY HOUSE
Recently renovated and in excellent order.
Village edge location. Spectacular Valley views.
3 Reception Rooms, 7 Bedrooms, 5 Bathrooms, 5 Reception Rooms
comprising Grand/Cherry Wing - easily adapted as two large houses.
ASBURY 4 ACRES
REGION C250,000
TIVERTON OFFICE: 0864 262668
Head Office: 15 Half Moon St. London W1

20 Hanover Square
London W1R 0AH

**Knight Frank
& Rutley**
INTERNATIONAL

071-629 8171



West Sussex
East Grinstead 1 mile, London 30 miles.
A beautiful small arable and stock farm
A superb Grade II listed farmhouse with 3 fine beamed reception rooms, 6 bedrooms, 2 bathrooms. Lakeside garden and grounds.
Fenced swimming pool. Old granary.
Detached 3 bedroom cottage. Traditional and modern farm buildings.
Great sporting potential with 40 acres of amenity woodland.
Potential for golf course.
About 211 acres
As a whole or in 5 lots
Joint Agents: Taylor Foster, East Grinstead (0342) 334478
Knight Frank and Rutley, London 071-629 8171 (0870) 600000

Hampshire
Andover 5 miles, London 60 miles.

**One of England's
loveliest sporting
estates**

Superbly restored Grade II* principal house.
Furnishings and 7 cottages.
A successful commercial arable
and stock farm.
Quality shoot and outstanding fishing.
About 2 miles of the River Test.

About 850 acres
As a whole or in lots

Apply: Hungerford (0485) 852758
or London 071-629 8171 (0870) 600000



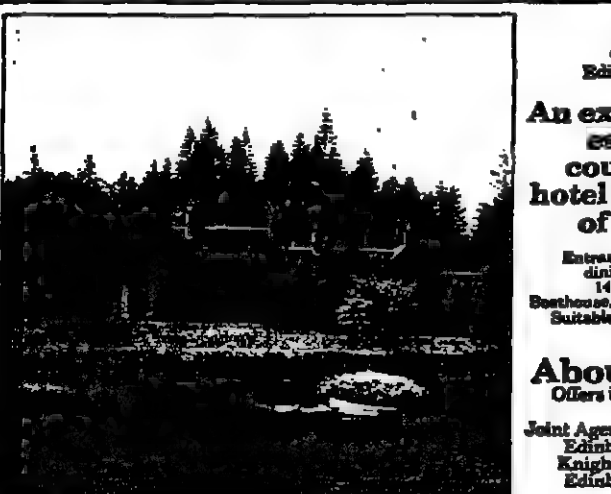
East Sussex

Heathfield 4 miles, Storrington Station 9 miles.
Charing Cross 67 minutes.
**A small residential and sporting estate
in the Dudwell Valley**

5 reception rooms, conservatory, 5 bedrooms, 3 bathrooms.
Garage, Barn, Outbuildings. Garden and lake.
Pasture, Woodland, River frontage.

About 91 acres

Joint Agents: Savills, Sevenoaks (0732) 455551
Knight Frank and Rutley, Tunbridge Wells (0892) 516035 (0870) 600000



Argyll
Oban 23 miles,
Edinburgh 142 miles.

**An exceptional and
established
country house
hotel on the shores
of Loch Awe**

Entrance hall, drawing room,
dining room seating 30,
14 ensuite bedrooms.
Swimming pool, 100m, magnificent garden.
Suitable for private or hotel use.

About 100 acres

Offers in excess of £750,000
Joint Agents: Robert Barry & Co.
Edinburgh 031-225 2544
Knight Frank and Rutley,
Edinburgh 031-225 7105 (0870) 600000



Dyfed
Llanidloes 6 miles, M4 17 miles.

**An historic
sporting and
agricultural estate
with exceptional
leisure potential**

Detached listed mansion, 4 bedrooms.
Derbyshire, 3 cottages. About 360 acres
of farmland and 250 acres of forestry.
About 4 miles of double bank salmon
and sea trout fishing on the River Cofth.

About 677 acres
As a whole or in lots.

Apply: Hereford (0432) 273087
(0870) 600000

On the instruction of
Broad Bay Properties Ltd.
Perthshire
Perth 15 miles,
Edinburgh 58 miles.
**A most luxuriously
appointed tower
house set in
glorious
countryside**

5 reception rooms including superb
drawing room, panelled library and
billiard room. 5 bedrooms suites.
Self-contained staff flat.
Garden and grounds including
professionally designed golf course.
Heated swimming pool, all weather
tennis court, croquet lawn, walled
garden, 4 cottages. Barony title.
2 miles of salmon fishing on the River
Tay. 1889 bar - 236 acres.

About 38½ acres

Apply: Edinburgh 031-225 7105 (0870) 600000



Gloucestershire
Woodchester Cirencester 14 miles, Bristol 21 miles, M5 (J13) 7 miles.

**A Cotswold stone house in a
spectacular position**

4 reception rooms, 6 bedrooms, 3 bathrooms.
Staff flat, 3 bedroom cottage. Garden. Garage. Stables.
Traditional stone barns with consent for conversion.
Ample and grazing land.

About 36 acres

Additional land available, up to 250 acres.
Apply: Cirencester (0285) 658771 or London 071-629 8171 (0870) 600000



Gloucestershire
Frampton Mansell, Cirencester 9 miles, Kemble Station 6 miles.

**A beautifully presented
16th century country house**

5 reception rooms, 6 bedrooms, 2 bathrooms, shower room.
Stone coach house and granary.
Suitable for conversion to small cottage and additional stabling.
Landscaped gardens. Riding pasture and paddock.

About 49 acres

Apply: Cirencester (0285) 658771 or London 071-629 8171 (0870) 600000



Wiltshire
Hullavington 14 miles, Marlborough 5 miles,
M4 (J17) 4 miles, Bath 15 miles.

**A superbly refurbished Jacobean
manor house in a private position
overlooking open countryside**

4 reception rooms, 6 bedrooms, 3 bathrooms, shower room.
Detached 3 bedroom cottage. 200 acres of open countryside.
Receptional Listed barn with planning consent for staff cottage and indoor
swimming pool. Further superb traditional outbuildings. Paddock.

About 23½ acres

Offers in the region of £775,000
Joint Agents: Lane Fox, Cirencester (0285) 658101
Knight Frank and Rutley, Cirencester (0285) 658771 (0870) 600000



Surrey
Godalming 5 miles, Guildford 9 miles, London 38 miles.

**A Grade II Listed Georgian house
in secluded grounds**

Hall, 4 reception rooms, master bedroom suite with dressing room.
3 guest bedrooms suites, 4 further bedrooms, further bedrooms.
2 attic rooms. Cellars. Cottage and staff flat.
Listed barn. Listed granary. Garden with former pond.
Walled garden with swimming pool. Hard tennis court.
Parkland, Woodland, Paddock and stream.

About 43 acres

Apply: Guildford (0493) 651171 or London 071-629 8171 (0870) 600000



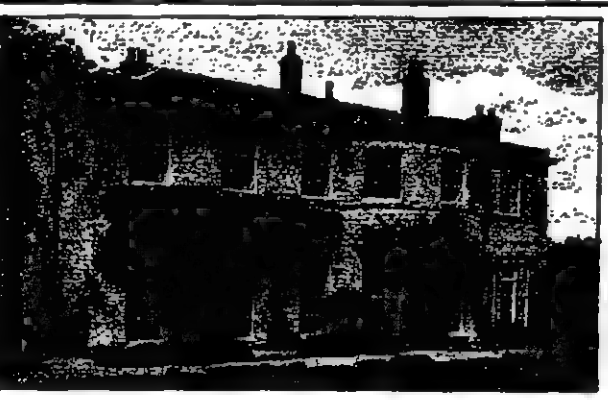
Surrey
St George's Hill, Weybridge 1 mile, London 20 miles,
Heathrow/Gatwick 30 minutes.

**A most striking new Mediterranean
style villa affording spectacular family
and entertaining accommodation
completed to an exceptional specification**

5 reception rooms, kitchen/breakfast room, 2 cloakrooms.
Principal bedrooms suite, 3 further bedrooms, 3 further bedrooms, family bathroom.
Leisure complex incorporating indoor pool, jacuzzi, sauna, steam room.
Versatile studio room 40' x 20'. Triple garage. Landscaped gardens.

About 1½ acres

Offers in the region of £1.7m
Apply: Esher (0372) 64496 (0870) 600000



Oxfordshire
Great Milton, Oxford 9 miles, High Wycombe 16 miles, London 48 miles.

**An imposing period house with
extensive views over its own parkland**

5 reception rooms, 6 bedrooms, 3 bathrooms.
2 self-contained flats. Extensive range of period outbuildings.
Mature garden and parkland.

About 11 acres

Apply: Oxford (0865) 790077 or London 071-629 8171 (0870) 600000



Middlesex/Hertfordshire Border
Enfield Town 2 miles, Central London 13 miles.

**A charming house set in
extensive grounds close
to excellent communications**

4 reception rooms, billiard room, master bedroom suite.
6 further bedrooms, 2 further bathrooms.
2 bedroom lodge, garage, outbuildings. Swimming pool with pool house.
Stable block, modern agricultural barn.
Park, formal gardens, paddocks, woodland and lake.

About 27½ acres

Joint Agents: Hampshire, Basingstoke (0255) 474647
Knight Frank and Rutley, Hadley Green (031) 447 1788
or London 071-629 8171 (0870) 600000



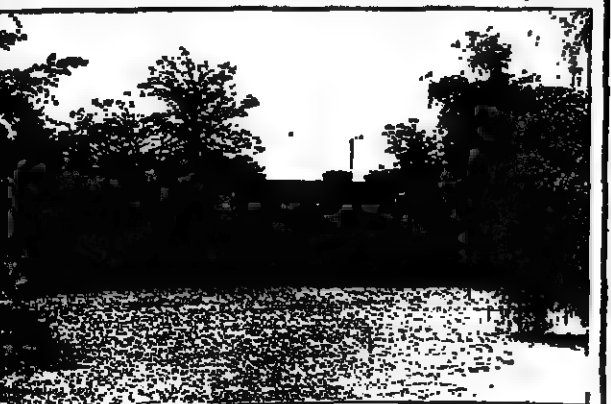
Gloucestershire
Tisbury 4 miles, Cirencester 7 miles, M4 13 miles, London 100 miles.

**A beautifully presented
Grade II listed house
in the heart of the Cotswolds**

Reception hall, 4 reception rooms, master bedroom suite, guest bedroom suite,
6 further bedrooms, 3 further bathrooms.
Garage, outbuildings, stables.
Beautiful landscaped gardens, woodland and paddocks.

About 4½ acres

Apply: Cirencester (0285) 658771 or London 071-629 8171 (0870) 600000



London, N20
London 8 miles, Tottenham Village 14 miles, M25 3½ miles.

**A well presented modern house in a
quite location situated close to
Tottenham Village and Central London**

4 reception rooms, master bedroom suite, guest bedroom suite,
4 further bedrooms, 2 further bathrooms.
Double garage, self-contained staff accommodation.
Mature garden with fine views. Swimming pool, hard tennis court.

About 1½ acres

Apply: Hadley Green (031) 447 1788 (0870) 600000



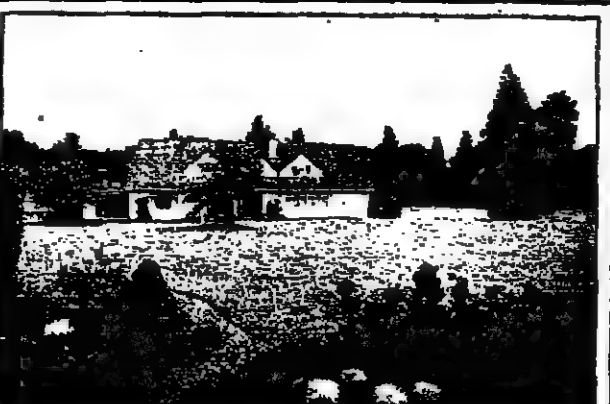
Staffordshire
Dunston, M6 ½ mile, Staffed 3 miles, Wolverhampton 12 miles.

**A substantial mansion house, close to
the M6, suitable for use as a hotel or a
variety of other schemes.**

4 reception rooms, 12 bedrooms, 10 bathrooms, 10 rooms derelict block.
Grade II Listed stable block and courtyard.
Fine grounds and recreational areas. In all providing about 25,000 sq ft.

About 12 acres

Apply: Shrewsbury (0743) 341151 (0870) 600000



Surrey
Wotton on the Hill, London 22 miles,
Heathrow 40 minutes, Gatwick 30 minutes.

**A versatile and spacious chalet style
property within landscaped grounds
adjoining golf course**

3 reception rooms, 6 bedrooms, 3 bathrooms. Large studio room.
Double garage. Gas fired central heating. Landscaped garden.

About 1 acre

Offers in the region of £400,000
Apply: Esher (0372) 64496 (0870) 600000



Hampshire/Berkshire Border
Basingstoke 8 miles, M3 (J5) 4 miles,
M4 (J11) 6 miles, London 45 miles.

**An immaculate and well appointed
country house**

3 reception rooms, master bedroom suite, 34 further bedrooms,
3 further bathrooms, all fired central heating.
Golfing cottage, 7 stables, Barn, Office, Manège, Cinema cabin.
Indoor swimming pool, tennis court, mature garden, paddocks.

About 10½ acres

Joint Agents: Lane Fox, Basingstoke (0255) 474647
or London 071-629 8171 (0870) 600000
Knight Frank and Rutley, London 071-629 8171 (0870) 600000

AUSTRALIA · BELGIUM · BOTSWANA · FRANCE · GERMANY · HONG KONG · JAPAN · MALAYSIA
NEW ZEALAND · NIGERIA · SINGAPORE · SPAIN · UNITED KINGDOM · UNITED STATES OF AMERICA · ZIMBABWE

JP 11/11/50

TRAVEL

TRAVEL BUSINESS

There's still room at the inn this Christmas

CHRISTMAS may still be 70 or so shopping days away but British hoteliers are busy taking bookings for those unable or unwilling to see the seasonal festivities out at home. While bookings are reported to be steady this year they are not as buoyant as in recent years, mainly because many Americans are choosing to stay at home this year. The crisis in the Gulf, allied to a high value of sterling in comparison with the dollar, has persuaded patriotic Americans to stay home.

Most hotels, therefore, have space for the Christmas period. Bishopscourt House in Warrington, near Bath, for example, has a four-day package on offer at £400 per person. Kirkby Fleetham Hall in North Yorkshire has a three-day stay on offer from £296 per person, while Crabwall Manor near Chester is offering three days with all the trimmings for £325 per person. The Lygon Arms in Broadway, Worcestershire, offers a minimum four-night stay for £175 per person per night.

Those seeking a more adventurous Christmas might consider a day-trip to Lapland to meet Santa Claus, enjoy a reindeer sleigh ride, and eat at what is described as a "Lapp-style" banquet. The cost is £1,585 because the day-trip takes place with the help of a Concorde chartered by specialist operator Goodwood Travel. Departures are on December 18 and 22.

IF YOU want to stay in Sheffield, Leeds, Newcastle or Cardiff then you may have trouble finding a decent city-centre hotel. At least that is the view of the *Which? Hotel Guide* published this week by the Consumers' Association.

This guide replaces the Association's *Good Hotel Guide* which is now published by Macmillan's and written by Hilary Rubenstein (see page XVII).

The *Which? Hotel Guide*, based on more than 7,000 hotel inspections, found that most town-centre hotels were pretty depressing, especially for weekend breaks.

The guide points out that with the growth of good quality budget hotels being provided by large chains such as Holiday Inn, "the high-tariff, low-quality hotels in the centre of our big cities will have to reform themselves in a hurry in order to compete."

Which? Hotel Guide 1991, Consumers' Association, £20 Box 44, Herford 2, SG14 1SR, £10.95.

IT IS the time of year when the travel industry spends much time congratulating itself on how well some of its operators have performed over the past year. The accolades always seem a little forced, especially since many travel companies this year are fighting for survival given the downturn in bookings and the rise in costs.

Top honours in this week's clutch of travel awards were shared by British Airways and Virgin Atlantic. Both airlines shared the premier award given by readers of *Travel Trade Gazette* this week, with Virgin just pipping BA for the best transatlantic carrier, while BA ousted Swissair as the top European airline.

BA was also voted top airline by readers of *Business Traveller*, again beating Swissair into second place. Virgin came tenth in this poll. *Executive Travel* magazine, however, voted Virgin into top spot with BA second.

Top worldwide hotel chain in the TFG poll was Sheraton, with Trusthouse Forte winning the UK award. The Mandarin Oriental in Hong Kong was voted the best Far Eastern hotel in this survey. *Business Traveller*, however, gave its top award to the Inter-Continental chain.

Other winners this week were Thomson Holidays, voted best short-haul operator in the TFG awards and Avis, given the top accolade in the *Business Traveller* poll. Its readers also surprisingly voted London as the most popular business city.

EARLY season ski bookings are down by almost a third over the same stage last year, according to reports from travel companies this week. Leading ski holidays specialists Thomson, Falcon and Inghamsall report a 25 to 30 per cent drop in sales but are determined not to cut prices to stimulate the market. They believe that the market will pick after Christmas when the season starts in earnest.

David Churchill



Above: Skiers await the instructions of their guide in New Zealand's Southern Alps

Right: A light aircraft carries travellers over the Alps and on to some challenging and beautiful skiing



Glyn Quinlan

An August winter on the ski slopes

"STRENGTH MATES," said Dudley, the builder from Melbourne, as the rotor of the helicopter died away. "This has just got to be the most beautiful place in the world!" High praise from an Australian in New Zealand.

Gazing from the top of the wild and beautiful Tyndal Glacier, across the myriad of jagged peaks that seemed to stretch from one side of New Zealand's South Island to the other, and dazzled by a billion snowflakes glittering in the wintry August sunshine, it was difficult not to agree. New Zealand's Southern Alps, it is claimed, are bigger than those of France, Switzerland, Austria and Italy combined.

Earlier, as our propeller-driven aircraft flew low into Queenstown, we had seen close-up their full extent including the highest peaks, Mount Cook (12,346 ft) from which the airline we flew with takes its name, and Mount Aspiring (9,955 ft). Unusually the Mount Cook Line - more than 60 per cent owned by Air New Zealand - also owns the two local skiing areas, Coronet Peak and the saw-toothed Remarkables area, opened in 1985.

Queenstown, on the shores of Lake Wakatipu, likes to give itself the title of Ski Capital of the South

Pacific. The snow is much more reliable here in South Island than in the North where the ski areas tend to be larger but attract fewer skiers because of capricious weather.

New Zealand doesn't have ski resorts the way Europe or even Australia does. It has ski fields. You have to drive some distance each day to get to the skiing - usually along rough tracks with completely unguarded and sometimes terrifyingly sheer drops. Indeed, on the long haul from Methven up to Mount Hutt, the road is so exposed that on at least one occasion a car has been blown over the edge - fortunately without its occupants. Other motorists have occasionally misjudged the road and driven off the edge, with fatal results. Having heard this on the morning of my visit, my return journey, in an evening mist, was a touch unnerving.

But it is helicopter skiing that has really put New Zealand on to the international skiing map, and the various heli-aid companies attract an international clientele dominated by the Japanese. These doped, efficient skiers have an extraordinary determination to finish a descent no matter how tough the conditions. The Japanese are so much part of the skiing scene down under that the

mountain guides often carry a list of essential Japanese words and their English equivalents. Skiing through avalanche and crevasse terrain is dangerous enough without language problems. Phrases like "One at a time" (*Hitori Zutsu*) must be understood at all times. A grasp of essential words such as "Stop", "Left" and "Right" are pretty crucial too: for below us, the glacier beckoned, luring us into the network of chillingly beautiful crevasses that decorated its upper slopes.

Like an icy minefield, it almost barred the way to the delights of a spectacular 3,000 ft drop. The only way down was across a series of snow-bridges. Guy Cotter, our 27-year-old guide, seemed as cool as a mountain stream about the prospect. There may be some crevasses that are covered completely with snow he said nonchalantly. Follow me down one at a time at 50-yard intervals - and try not to fall down any holes.

With that he launched himself into the glacial maze. I felt a moment of slight panic. I wasn't wearing a hat - I rarely do unless it's really cold - and I wondered that if I fell into a crevasse whether all my body heat would escape through my head? Perish the thought. I'd just have to make sure I

didn't fall. I recalled the reassuring words from the safety leaflet we had been issued with earlier: "In the unlikely event that you are caught in an avalanche: remain calm - you will be found by your guide."

We were five: Guy, Dudley, Chris, a solicitor from Sydney, and Philippe, a civil engineer who had never

Below us, as far as we could see, was yet another straight shot of virgin powder. "I'll just go down and see what's over the edge," said Guy, cautiously. "We have to watch out for the holes again. Wait till I wave you on," he said. He was the only thing moving on the mountain apart from some seagulls, a reminder of

how close you always are to the water in New Zealand, even in the mountains.

Finally, we were down, exhilarated, hungry for more and - rather ungraciously - not hungry at all for the lunch which our helicopter pilot, Bill, had just flown in. Our next run, Headlong Valley, was even further - 3,500 vertical feet. This is a longer descent than anything I have experienced in Canada (traditionally the home of heli-skiing) and both skiing and scenery were certainly just as testing and awe-inspiring.

Even lunch, when hunger pangs finally got the better of us, was dis-

Arnold Wilson samples the dazzling scenery of New Zealand's Southern Alps and some spectacular skiing

heli-aided in his native Switzerland because he found his local slopes too crowded.

Our 45-minute descent into the valley below was beautiful. Guy mixed moments of caution with those of sheer joy. The crevasses which had guarded the higher slopes like sabre-toothed tigers ready to swallow us whole, seemed to have sunk away.

"Well, I guess we'd better share this slope together," he yelled as we started down a steep pitch of frozen powder. We managed a breathtaking 60 or 70 turns, perhaps 100 altogether before we regrouped.

how close you always are to the water in New Zealand, even in the mountains.

Finally, we were down, exhilarated, hungry for more and - rather ungraciously - not hungry at all for the lunch which our helicopter pilot, Bill, had just flown in. Our next run, Headlong Valley, was even further - 3,500 vertical feet. This is a longer descent than anything I have experienced in Canada (traditionally the home of heli-skiing) and both skiing and scenery were certainly just as testing and awe-inspiring.

Even lunch, when hunger pangs finally got the better of us, was dis-

James Bond really did stay here

Tim Burt, in the Caribbean, finds out how 007 acquired his name

BOND swam safely forward. A carpet of sea grass ended in broken coral and an occasional niggerhead. A dozen varieties of butterfly and other reef fish flitted among the rocks, and a small langoustine quivered towards Bond with its feelers. The head of a large green moray protruded from a hole, its half-open jaws showing rows of needle teeth. Its golden eyes watched Bond curiously.

James Bond, the American bird-watcher, enchanted Ian Fleming, who read his work avidly and named his hero after him. Fleming told Bond's wife in 1961: "One of my bibles was, and still is, *Birds of the West Indies* by James Bond, and it struck me that this name, brief, unromantic, and yet very masculine, was just what I needed, and so James Bond it was born."

According to local tourist guides, the real James Bond stayed in a large white house set on Goat Island, a short ride from Speyside beach, northern Tobago. Now the house is decrepit and empty. Bond chose the spot because it lies next to Little Tobago, an island sanctuary for birds of paradise. Parrots and multitudes populate the trees. But the highlight of this miniature archipelago is underwater, where thousands of fish live in coral housing estates.

The colours are dazzling. Many of the fish are turned out in the away

strip of Arsenal football club. Others sport Chelsea colours or the distinctive black-and-white stripes of Newcastle United. Bat fish sweep along the ocean floor with wings fanning out at the sign of a predator. Further inshore, angel fish dance around the world's largest brain coral and hundreds of squid float on the current.

More than 600 species of fish make their home in Tobago waters, where they feed on the nutrients swept there from the Orinoco river delta in Venezuela. The sea is rich enough to sustain fleets of snappers and king fish, which in turn sustain fleets of fishermen. Each evening local families gather on beaches around the island as their men haul in nets.

The practice has not altered for hundreds of years. There are no factory ships or trawlers. It is too shallow for large vessels and many fishermen work the bays in old wooden ketches. On the beaches, the tug-of-war teams encourage passers-by to pick up the palm shade and give them a hand. Helpers carry home a few flying fish as thanks. An hour after the nets are emptied and folded away, only the circling pelicans indicate that the fishermen have been and gone.

The vacant beaches and subsistence way of life in Tobago were

Tourists aid the struggles of Tobago's baby hero turtles

something to write home about years before Ian Fleming picked up the Caribbean work of James Bond. Daniel Defoe liked the sound of Tobago almost as much as Fleming. He did not name his hero after Captain John Poyntz, author of the 1695 island prospectus printed at the Half Moon and Seven Stars, in London. But he did set his best-known novel there. Poyntz surveyed the island to attract potential settlers and, according to the Museum of Tobago, Defoe realised this was just the place for his castaway, Robinson Crusoe.

It is easy to imagine Mr Crusoe taking in the sights of the island. After a day at the beach he would



A scene James Bond once enjoyed on Tobago

have been able to wash off the sand at Argyll waterfalls, where fresh water cascades through the jungle into deep pools. He would have found piles of fresh coconuts waiting for him on the golden sand of Englishman's Bay. And on Friday could have raided up a soup and steak supper from Turtle beach.

The beach is on the island's west coast and is named after the leatherback turtles which each year crawl up the sand to lay their eggs. In Robinson's time the turtles were fair game but now they are protected from poachers. There is no protection, however, from the tourists who rush down to the beach with torches and flash guns to catch the female turtles in labour. Maybe the mothers ignore the cameras because they know tourists will help their young reach the water when they start hatching.

Normally only one in six baby turtles survives the crawl to the sea. On Turtle Beach their survival rate is higher. A shout goes up in the thatched bar when the young leatherbacks are spotted scrambling through the sand. The drinkers pick up the turtles, their flippers waving madly, and throw them into the waves.

Baby turtles have to be thrown beyond the breakers. If you lay them at the water's edge they crawl out again towards the light of the beach bar. A full toss seems a little cruel to the new born reptiles. It is kinder to bounce them into the sea and leg breaks seem to do the job nicely.

The islanders are not so considerate to crabs. The hapless crustaceans are forced through an athletic ordeal on Tobago's only race course before being boiled alive. The course on Store Bay has starting stalls but no horse has ever been near them. They are for goats. The highlight of goat meetings is the contest between

men and crabs. The event demands courage and stamina. The winning competitor has to pull a crab from a sack-full at the starting line, truss it so it cannot nip him and then sprint to the finishing line with it bundled under his arm.

The races are less frequent these days because the competitors have found a better-paying sport - tourism. Store Bay is the cast-off point for fleets of glass-bottom boats heading for Buccoo reef, which sadly has been decimated by tourists breaking bits off for their mantelpieces.

Tobago's tourist officials are encouraging more visitors to head for Buccoo and Pigeon Point, the landscaped beach where ski-does have replaced ketches as the staple water transport. The officials have watched with envious eyes the growth of tourist industries in Barbados and Jamaica, and now they want a slice of the action.

The runway at Crown Point is being extended to accommodate wide-bodied jets and larger hotels are planned. Wimpey, the British construction company, is building a deep-water harbour in Scarborough, the capital, so it can play host to the whistle-stop cruise liners favoured by Americans.

Reginald Maclean, manager of the Blue Waters Inn on Bateaux Bay says the island's best bet for remaining unspoiled is to leave its infrastructure unchanged.

But the Government says that without tourism Tobago will get poorer, so expansion is desirable. Reginald Maclean only hopes that the new wave of visitors will leave the island shaken - not stirred.

Among UK tour companies, Caribbean Connection (tel: 0244-341131) offers inclusive holidays to Tobago. In London, the Trinidad and Tobago Tourist Board can supply full details (081-897-4000).

See Rome and get robbed

Andrew Taylor is the upset and angry bystander to a street crime

WE HAD been warned that the gipsy children would rob you if you gave them a chance. We were careful but it happened anyway. There were two of us, going to a business meeting in the centre of Rome. The streets were busy. Two beggar children appeared. Had we any money? It could have been any large city. Most people were in casual clothes. We looked like strangers, dressed in suits and talked in English. It would have been easy to pick us out.

We walked on quickly. Their voices became more shrill, their hands more insistent. They kept thrusting at us a card with words written on it, presumably asking for money. We started to raise our voices shouting at them to go away. My friend became slightly separated as he swerved to avoid their pressing hands.

Suddenly they were at him. One moment pulling at his clothes in supplication, the next grabbing and pulling in angry frustration. The card was thrust into his face so he could not see what their hands were doing.

I saw his jacket swing open. A hand grasped the cloth of his inside breast pocket and sharply twisted it downwards so that his wallet fell to the road. I shouted a warning. Brown hands shot to the ground and the wallet was gone. If I had not seen it fall the beggars would have disappeared into the crowd. My friend had felt nothing.

We grabbed the beggars' arms. They began to undress in the street. They were young girls. One lifted her blouse and her bra. She was no more than 14. She pulled down her jeans and her pants. Dribbling, we had been told, is standard practice in these incidents. It is meant to show that no stolen property is hidden.

Undressing also disconcerts and embarrasses male victims who fear they may be accused of sexual assault. The wallet, one of the girls later admitted, had been handed almost immediately to accomplices in the crowd.

The second girl, who had also pulled up her T-shirt and lowered her pants, could have been no older than 11. Her accomplice, the older girl, became more difficult. She was shouting and kept lifting her clothes.

A small crowd had gathered. I was reluctant to touch her. I do not speak Italian and could not understand what was being said.

She tried to pull away but I dragged her back. My colleague, who speaks Italian, called for someone to get the police. The crowd appeared apathetic. A bystander, when the police arrived, accused my colleague of holding the younger girl too tightly. She slyly rubbed her arm to make it red when she heard this.

I was becoming more embarrassed by the undressing of the older girl. I let go of her arm to help my friend. In a moment my girl had gone into

'I saw his jacket swing open and his wallet fall to the road'

the crowd where she disappeared. At first I felt relieved, then I felt guilty. I should have been of more help to the colleague whose wallet had been stolen.

He was still holding the arm of the other girl when the police arrived. They were driven to the police station. The girl was made to sit with both arms above her head, her hands pressed against the ceiling of the vehicle.

All her bravado had gone. She was so frightened when she arrived at the police station she wet herself.

We were told she was a minor and therefore could not be charged. She was one of hundreds of - so-called - gipsy children who live, steal and beg in the streets of Rome. When we returned to the police station in the evening they told us that they had had no choice but to release the girl. A detailed statement was still taken. It would help with the insurers we were told.

The credit cards were cancelled immediately. The bank rushed an emergency £500 to help my colleague. Later we were approached by a man in his twenties close to our hotel. "Sprachen sie deutsch?" Do you speak English? he asked. "I am a Romanian refugee. Do you have any money?" "No," he shouted as we walked away.

JP 11/20/150

**To advertise on the
Holidays and Travel page
please call**

**Sara Gabe - 071 407 5753
or
Clare Peasnell - 071 407 5755
or
Graham Loveluck-Edwards - 071 407 5632**

MOTORING

A new model for every Martian

IF A MAN from Mars who had been reading British newspapers landed today at Birmingham's National Exhibition Centre, he would probably wonder what on earth was happening. He would know all about the Gulf crisis, fear of global warming due to air pollution, rapidly rising petrol prices, 20-mile traffic jams, falling car sales and the threat of industrial recession.

Yet, inside the NEC, he would see thousands of visitors crowding stands packed with cars of every kind. Nearly all the new models – and there are more of them at our motor show than usual – are bigger, better, more powerful and dearer than before.

They are, of course, also faster. If our Martian knew that exploiting the full performance of the meaneast of them would break the law everywhere except on Germany's autobahn system, he would be puzzled. So, at times, am I.

What is one to make, for example, of the £48,000 Lotus Carlton? This is a twin turbo-charged, 360-horsepower V8 engine derivative of an executive saloon for which a top speed of over 175 mph (281 km/h) had been claimed – no, flaunted – by Vauxhall. Having been roasted by everyone from the police to road safety authorities, Vauxhall has wisely decided not to make maximum speed claims for any of its cars in future.

Aston Martin is unveiling a Volante 2-seater convertible version of the 24-valve V8 engine Virage which goes on sale next summer. If you have £150,000 to spare on what some might consider a classic case of conspicuous consumption, get your name down quickly – there are a lot ahead of you already. On the other hand, if a higher-tech but lower priced convertible appeals, there is an alternative – the £61,530 Mercedes-Benz 500SL.

The show indicates that the market in supercars, open or closed, is alive and well. Among those appearing at a UK motor show for the first time is Mitsubishi's Starion replacement, the 3000GT, which has four-wheel drive and four-wheel steering. It arrives in Britain at the end of 1991.

The brilliant Honda NSX will be here in January, with a price said to be well under £50,000. Nissan's 300ZX, with a twin turbocharged, 3-litre V6 engine coupe and, like the Honda, 5-speed manual or 4-speed automatic transmission to choose, also looks modestly priced at £24,500.

A lighter, faster version of the Porsche 911, the Carrera RS, is making its world premiere at Birmingham though production does not start until next summer. Porsche GB has been taking orders and deposits for two years for the new 911 Turbo which goes on sale here in December.

By that time those at the top of a three-year waiting list will be driving their £59,500 BMW V12-engined 850i coupes. Some may even be lusting after its honed even closer to perfection development, the Alpina B12. This, too, is making a world debut at the show. With right hand drive, it will cost around £85,000.

Moving down from the point

New cars, fast cars, dream cars – the Birmingham show has them all. What would a man from Mars make of it all, wonders Stuart Marshall

of the pyramid to its broad base, where cars are bought with real, not company, money, there is plenty to see.

Volkswagen's Polo was to have been replaced more than two years ago but was pushed to one side to give priority to the Passat. The 1991 Polo turns out to be an extensive facelift rather than a totally new car.

As before, there are bootied saloon, hatchback and coupe versions. All have fuel injected engines and exhaust catalysers as standard. Prices of between £8,000 and £9,500 are expected when UK sales start toward the end of the year.

Vauxhall has updated the Nova range for 1991. Peugeot is showing two new 205s – a 3-door, 1.6 litre automatic and a 5-door with a 78 horsepower

1.7 litre turbo-diesel which promises to be a warm, if not quite a hot, hatch with exceptional fuel economy.

Main attraction among the superminis, though, is the Renault Clio. While only a little longer than the Renault 5 it replaces, it feels a more grown-up car altogether, almost closer to the Renault 19 than the 5.

Ford's new Escort and Orion are on sale now at the same prices as the old models but the shapely new estate is getting its first public airing at the show. It will be in the dealerships soon.

The old gag about what do you call a Skoda convertible (answer – a skip) no longer applies. You call it the Favorit Roadster. Together with a estate version of the front-wheel drive Favorit, the Roadster is making its world debut at Birmingham and both are due for introduction in Britain in 1991.

Nissan's new Primera saloon and hatchback (the Bluebird's replacement) must be rated among the show's stars. British built, with over 80 per cent

local content, they will challenge established favourites like the Vauxhall Cavalier and Ford Sierra in company fleets and private ownership alike.

My guessimate last week of £11,500 to £17,000 as the price range was wide of the mark at the bottom, exactly right at the top. Price of the entry model 1.6 litre Primera is a remarkably keen £9,995 and of the sporty 2-litre ZX, £16,997. Power steering and 16-valve engines are standard on every Primera.

Rover's renaissance continues with the introduction at Birmingham of 3-door versions of the 200. Among them is a 216GTi that looks sufficiently muscular and stylish and, at £13,530, price competitive enough to carve itself a useful slice of the hot hatchback market.

Among the larger cars, Jaguar's former 2.9 litre XJ6 saloon has received a welcome power boost. The new 3.2 litre engine much improves driveability, just as upping the size of the 3.6 litre engine to 4-litres did for the up-market saloons last year.

The Volvo 940 and 960 models – another Birmingham premiere – turn out to be close relatives of the 740 and 760 with less angular styling. A new 3-litre, 204 horsepower straight-six engine, developed in collaboration with Porsche and mated with a new 4-speed automatic transmission, pow-



The face-lifted Volkswagen Polo range (here a GT coupe) will cost between £8,000 and £29,500

ers the flagship model saloons and estates which cost £28,950 and £28,200 respectively.

Volvo never throws away the baby with the bathwater. Some 740s – and even the veteran 240 saloons and estates which the 740 was supposed to replace – will remain in production. At £13,550 upwards (£13,950 for the estate) they are for buyers who set greater store on value for money, safety and durability than keeping up with car fashion.

Anyway, no car has such an air of timelessness and social acceptability as a Volvo estate.

An H-registered 240GL at £13,950 would cause an owner no embarrassment at a Home Counties point-to-point, even though it might be surrounded by Range Rovers, BMWs and Mercedes.

As the Martian visitor, dazzled by the exhibits and still trying to work out the logic behind some of them, took off in his spaceship for home, what would he see? Thousands upon thousands of cars, slowly converging upon the National Exhibition Centre and filling its vast car parks. The occupants then queue for

buses to take them to the show.

The ultimate paradox is that the best way to get to a show dedicated to road transport is to go by train – the station is an integral part of the exhibition complex.

The British International Motor Show is open to the public from today until tomorrow week (22-30 September). Admission today and tomorrow is 27p and from Monday to Sunday next week, 35p (23p for senior citizens and accompanied children).



THE EMOTION.

THE LOGIC.

The Lancia Dedra is utterly faithful to the sporting heritage and values of Lancia's founder, Vincenzo Lancia. So, not surprisingly, it's a car that stirs the emotions.

The Dedra is a car that appeals to the head as well as the heart. For life-long protection, all exterior panels are made from 100% galvanised steel – which is why we can give you a 6-year anti-perforation warranty.

The Dedra has rally proven durability – Lancia have won the World Rally Championship no less than eight times – with a hat trick of wins in 1987, 1988 and 1989.

Economy? Fuel injected engines and the wind-cheating Audi-beating Cd factor of 0.29 contribute to exceptional fuel consumption on unleaded petrol.

Specification? Even the start of the range model, the 1.6ie, has more superior features

than other people's top of the range cars. Such as polished rosewood dashboard. Power assisted steering. Light alloy sports wheels and low profile tyres. Central locking. Electric front windows with 'one touch' facility.

All Dedras have in-car-entertainment systems with 4 speakers, electric aerial and double anti-theft facility. Twin body colour electric door mirrors with demist. Tinted glass. An electronic check control panel that shows you everything is functioning perfectly.

Rev counter. Front fog lights. Height adjustable drivers seat and steering column. Front and rear head restraints. Centre folding front and rear armrests and rear sun blinds.

Audi and BMW certainly can't match all that. But more, the 1.8 SE has an electric sunroof, rear electric windows, lockable split-folding rear seats and luxurious Alcantara upholstery.

The 1.8 and 2.0 litre engines have counter-rotating balancer shafts, making the DOHC 4-cylinder engine as smooth and quiet as a silk.

The 120 BHP 2.0 litre has a top speed of 124 mph. The 2.0 litre SE top of the range Dedra has ABS and Automatic Suspension Control (ASC) with electronic adjustment between 'comfort' mode for effortless cruising and 'sports' setting for enthusiastic driving.

And ABS is available on all Dedras. Every Lancia comes with a very important extra: total peace of mind. This is because we cover you with a 1-year manufacturer's warranty and Lancia AA 'Gold Star Service' with Homestart, Relay Recovery

and 5 Star Service for continental motoring. The Lancia Dedra from £11,825*. Now you can afford to be emotional.



For further details dial 100 and ask for Freephone Lancia or return this coupon to Lancia Prepress, Bedford, Bucks MK45 8BR. Prices* (correct at the time of going to press) include car tax and VUT but exclude variable on-the-road charges (road fund licence, number plates and delivery) estimated at £400 inc VUT. 1.6 ie £11,825, 1.8 ie £12,374, 1.8 SE £13,495, 2.0 ie £13,995, 2.0 SE £15,495.

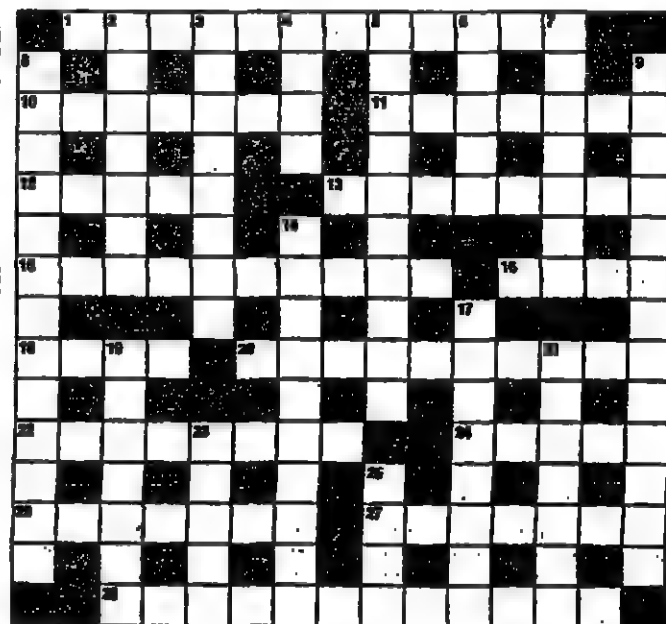
Name _____ Address _____ Telephone _____ Postcode _____

DEDRA. THE NEW LANCIA

CROSSWORD

No. 7,348 Set by DINMUTZ

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by Wednesday by 10.00, marked Crossword 7,348 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 8HL. Solution on Saturday October 6.



- ACROSS**
- Under friction it provided a powerful spirit (8,4)
 - Breathing space below the bridge (7)
 - Insect consumes tree for food (7)
 - Mouthpiece of instrument (5)
 - A German beer-mug for a Nobel prizewinner (6)
 - Plate for ribs, especially? (10)
 - Hotly tipped mount (4)
 - Nurse takes time to be transported (4)
 - Agree to keep in touch (10)
 - Double-dealing in pique? (6)
 - Wide one of the crowd, perhaps (5)
 - Lava pieces thrown out, having a ball in Long Island (7)
 - Man needs guts to break such a horse (7)
 - Potential side danger, it can fall to pieces (12)

- DOWN**
- But it is not a composer's block (4,3)
 - Derelect dismissed players (7)
 - Wasting time of potters? (6)
 - Duck to observe outside Minsk (4)

Solution to Puzzle No. 7,347

CELESTIAL STICKING
L G O O A
A U T U M N
O U N A V G
S A G E O R E A T U N C L E
I N D E S T H A
H A M P A G E E A R N E R
C E N T I R E R U N G O N
A V E A V
A L L E G I A N C E B L O E
H U E L S E E F I H
H U E L S E E F I H
C H E O I E E
E N T H R O N E R A N T E R

Solution and winners of Puzzle No. 7,336

CELESTIAL STICKING
L G O O A
A U T U M N
O U N A V G
S A G E O R E A T U N C L E
I N D E S T H A
H A M P A G E E A R N E R
C E N T I R E R U N G O N
A V E A V
A L L E G I A N C E B L O E
H U E L S E E F I H
H U E L S E E F I H
C H E O I E E
E N T H R O N E R A N T E R

MOTORS

Wyndham Cardiff

ROLLS-ROYCE CAMARGUE '85 "C"
Maroon black with scarlet red hide.
18,800 miles. F.S.H.
Offers over £75,000

JAGUAR XJS CONVERTIBLE
Auto 5.3 V12 '88
White with red hide. Black electric
hood. 1204 miles. £32,995.

BMW 750i S.W.B. Auto '90 "G"
Dolphin grey with silver hide. Spec
sports seats, de-chromed.
9,500 miles. F.S.H.
£29,995

ASTON MARTIN VIRAGE
Auto '90 "F"
Fun yellow with green hide.
745 miles. P.O.A.

Contact Steve Fletcher: 0222 597070/0836 347513 open 7 days

ROLLS ROYCE CONVERTIBLE

1969, Silver Shadow, rare car, mint condition; white/tan, no smog devices, California car.

Call California (619) 295-2189

JP 11/15/90

BOOKS

Prophetic about Pearl Harbour

HECTOR C. Bywater: "a convivial pub-crawling English journalist, author, spy and raconteur who knew more about the navies of the world in the mid 1920s and 1930s than a roomful of admirals had an obsession..." This sounds an unpromising beginning to what, in fact, is a well researched and, on the whole, carefully written account of an extraordinary business.

During 1925 Constable in London and Houghton Mifflin in New York published Bywater's *Great Pacific War*, a prophetic novel which described, with uncanny accuracy and prescience, what actually happened at Pearl Harbour on December 7, 1941. Honan's description of publishing inhibitions, finally overcome - would such a book seriously damage relations between the US and Japan? is not the least interesting part of his account.

The merit of Honan's biography is that it establishes the influence and effect of Bywater's prophecy in Japanese naval circles (the impact was less in the US), without in any way sensationalising the story. Bywater's credentials as an analyst of naval strategy were widely respected. Bywater's real role as a serious student of war was somewhat different from the image of Lunchtime O'Booze, which he seems to have cultivated as a kind of cover. Moreover, Bywater hoped to minimise rather than increase friction between the US and Japan through his book.

For a time, and to a degree, Bywater succeeded in attaining this objective, contributing further by careful reporting of events in Japan to various newspapers in the later 1920s and early 1930s. Bywater concentrated on the debate within the Japanese naval establishment, not only about the feasibility of otherwise - of war with the US but whether the key element in his prophecy - a concerted attack which would render the US Navy helpless everywhere in the Pacific - was preferable to an overwhelming blow at one point, preferably in the area of the Philippines.

Bywater also consistently argued that the eventual outcome of any war between the Pacific powers must end in defeat for Japan, given the greater industrial and economic resources of the US. Whether the doves in pre-war Japanese governments heeded this warning is not known; the hawk did not, even although the attack on Pearl Harbour was virtually a last-minute decision, and was opposed by more cautious aggressors. The case for Pearl Harbour was pressed by Admiral Isoroku Yamamoto, Commander in Chief of the "Combined Fleet." He had cultivated Bywater with some care during the latter's sojourn in Japan. Be that as it may, Pearl Harbour, an enormous, historic shock to the American people, was Japan's undoing. Yamamoto, emboldened by dazzling success, pressed early in 1942 for an attack on Midway. The result was one of World War Two's turning points, a three-day battle (June 4-7), when the Japanese loss of four carriers also signalled America's coming of age as a super power. Bywater's prophecy had been fulfilled.

Anthony Verrier



To coincide with the four-part BBC television series which started this week, Weidenfeld & Nicolson have issued a profusely illustrated edition of *Portrait of a Marriage*, (£16.95, 223 pages), Nigel Nicolson's controversial 1973 story of the unconventional marriage of his parents, Harold Nicolson and Vita Seckville-West. This photograph shows the family at Sissinghurst in 1932: Harold, Nigel, Vita and Ben.

Precocious childhoods

CHILDKHOOD memories are stronger, about places than people - at least, agreeable people. Both M.M. Kaye and Denis Forman are writing about beloved places, the former about India and Simla in the golden age of the Pax Britannica and the latter about Craiglands, the Palladian house in Dumfries where Forman lived until he was twelve. M.M. Kaye also finishes early, when she is eighteen, but in her case she is returning after years of exile in England to the never forgotten wonders of India.

The books are very different, one glorifying in the unchanging aspects of a land and the other leading towards a crisis of emotional disaffection. Since the early 18th century the eldest Forman son had always been a minister of the Church of Scotland, so it was almost inconceivable that young Denis should pronounce that God was bunkum.

Those who like to see a mind wrestling with rebellion will most enjoy Denis Forman's chapter when he takes on and words both his adored mother and less adored father on divine truth. He was a most independent and precocious child, it seems, whose life, he tells us, revolved round sex (thoughts of), religion, fishing and music. Before the cataclysmic revelation of atheism his life had that Scottish blend of high-minded and eccentric heartiness which seems reminiscent of an earlier age. Revolting characters circled in and around Craiglands, most of them smaller even worse than they looked. Marnie, the housekeeper who wore a wig, bandaged her deformed body and took the stairs on all fours, could be traced by her odour. Miss Haseldene, the dancing teacher, not only had to subdue her smell but also the sweat which flew off her twisting body. The Forman children identified visitors by odour, most being of the "maids' drawers" variety. Scotland's famously hearty Loretto School inspired generations of Formans and Denis's father, commended by his son for his cleanliness, swam every morning in the icy lake, using

THE SUN IN THE MORNING
M.M. Kaye

Viking £16.99, 454 pages

SON OF ADAM
by Denis Forman

Andre Deutsch £12.99, 201 pages

apophymos moses as soap. Colourful characters are dealt with in rather less physical detail by M.M. Kaye. Her father, whom she called Tacklow, was her hero. He served in the army in India for most of his career but, as a de-coder of genius, was never allowed to fight in the war. Nevertheless he rose to be Director of Central Intelligence, and Sir Cecil Kaye recounts as an example of the sacrifices made in the service of the Empire that Tacklow did not see his oldest child and only son, who had been sent to be educated in England, from the age of six to twenty.

She too has her horror. There is the wicked nurse, Lizzy, who dosed her regularly with castor oil and then punished her with another dose when she had an accident. Or

angry Aunt Bee who spent years making life in England as miserable as possible. There is the moment when she realised her mother is a "nitwit," even though reassured by her father that he never wanted a "brilliant" wife. But M.M. Kaye is only unreservedly unsympathetic about the Prince of Wales who caused her father endless trouble by behaving like "a retarded adolescent." And the mugger in his stomach, she saw a child's arm, complete with bracelet.

A mixture of cheerful good sense and romantic yearnings makes her life seem to run on an upward curve, whatever the problems. There was a tradition that these making the boat trip from India to England must throw their solar tops into the Mediterranean and the owners of those that floated would return. M.M. Kaye discovered from the sailors how to make sure her top floated. And so we will have, in good time, M.M. Kaye's India. Vol. Two. This will not, I suspect, be a follow-up from Denis Forman, who left the world of Craiglands behind for a distinguished career in television.

Rachel Billington

Sad decline of a public dazzler

Anthony Curtis reflects on the life of Jean Cocteau

SIXTY-FOUR is an awkward age for an awkward artist. Most of the fireworks have gone off by then - as we see in the sad case of Jean Cocteau. In his precocious Parisian youth Cocteau was the spiritual heir of Oscar Wilde, taking over from him as a great public dandy in the first decade of our century. Young Jean was a fine reciter of his verses and handsome to behold with his noble features and long, slender fingers. The boy Cocteau immersed himself in the works of the earlier master, especially *Salomé* and *The Picture of Dorian Gray*. The two never met but when he was 18 Cocteau did, to his delight, encounter Wilde's son Vyvyan in Venice.

Both Wilde and Cocteau had seemingly effortless sleight of mind. They were capable of spontaneous conversational performances, unequalled for their high proportion of epigrammatic aces - until we reach Kenneth Tynan *de nos jours*. Fortunately some of this particular gift did remain with Cocteau until the end and it intermittently enlivens the journal he kept in spiral-bound sketchbooks from 1951 to 1963, the year of his death, and which is now being published in an English translation by Richard Howard.

The English publication, like so much relating to Cocteau, is not wholly satisfactory. It is a slow process. Volume One (covering July, 1951 - December 1952) appeared three years ago from another publisher, Hamish Hamilton, with a short, personal introduction from Neil Rosen, and a foreword by Pierre Chanel; this volume which follows on directly, and covers the whole of 1963, has an even briefer note by Chanel at the start, after which the editorial intervention is restricted to a series of concise footnotes identifying the many obscure individuals referred to in the text. These are helpful and Chanel's unobtrusiveness certainly lets the reader engage directly with Cocteau; but occasionally one would have liked more background to the main episodes, even though with the aid of references books it is possible to fill most of it in for oneself. For instance, in 1963 Cocteau died. Louis Aragon asked Picasso for an illustration to use alongside his obituary tribute. "Staline et la France," Picasso outraged the faithful of the French Communist party by revamping an old

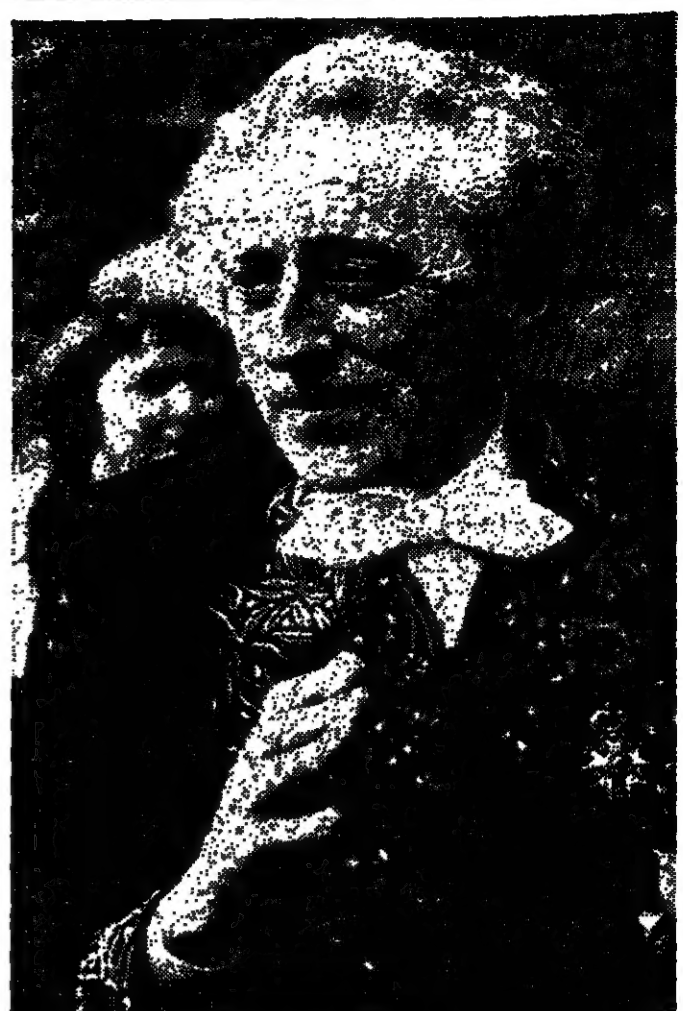
lithograph done of Stalin in 1948 showing him as a charismatic young man. Cocteau follows the row and then goes on to define Picasso's curious position as a member of the Communist party.

Cocteau goes to see Picasso several times in his studio and ceramic workshops at Vallauris. It is not all that far away from Cap Ferrat where Cocteau and Edouard Dermit have for some years been permanent house guests at Franchino's Walsenburg villa, the walls of which Cocteau has decorated with frescoes. These may be seen with Cocteau at work on them in *Le Villa Santo-Sospir*, a 16mm film, whose shooting was described in the previous volume.

Francine's abode is near Sommarès, Matheron's Villa Matheron which they visit occasionally and hear Matheron's gossip about other Riviera-dwellers such as Graham Greene whose film *Palen Idol* has recently been released. For much of the time he spends working, Cocteau is drawing and painting rather than writing. When he is not working, he is intriguing, beginning to prepare the ground for his election to the Academy. He is invited to the Cannes Film Festival. The success of his own films has led to a huge post-bag and dozens of requests to speak in public, all of which he tries to keep up to date with.

PAST TENSE: THE COCTEAU DIARIES VOLUME TWO annotated by Pierre Chanel, translated by Richard Howard
Methuen £18.50, 355 pages

Even Picasso has a request of this kind for Cocteau. While he is at the studios Picasso unveils the major project in progress, *War and Peace*, panels destined for the Vallauris chapel. They are to be shown for the first time in May at a big retrospective Picasso exhibition to be held in Rome. Cocteau goes to the exhibition where at the artist's behest he gives a lecture on Picasso. It is a brilliant performance recorded by Italian radio. Cocteau has reached an age when he wishes to be reconciled with his old and famous friends. He has always been fond of Genet, whom he corresponds with, and he writes to Julien Green about



Jean Cocteau: elderly enfant terrible

Green's play *Stid*. Cocteau will never forgive Mauriac for his attack on his own play *Bacchus* when it was performed the year before at the Comédie Française, but he is anxious to sustain good relations with Picasso, and succeeds. When he goes to Spain later in the year, he makes a point of visiting Picasso's relations.

As ever Cocteau is concerned with the question of creativity and senses that his own is running out. The first signs of heart and other ailments are becoming apparent. His doctor advises him to slow down. "I wonder," he asks himself, "if I have come to the end of my reel." Not yet, not quite, is the answer to that. The ballet *Les Dams de La Licorne* for which he wrote the scenario is given its premiere in Munich, and there are successful revivals of his one-act plays, *La Voix Humaine* and *Le Bel Indifférent*, the latter starring Piaf for whom it was originally written.

His latest prose work, *Journal d'un Inconnu* written the previous year lacks the sparkle of *La Différence d'Être* but he gets some appreciative reviews and Cocteau is preparing a new collection of poetry, *Clair-Obscur* which will contain verses inspired by his Spanish tour. He loved the

spectacle of the bullfight just as he loved the spectacle of the Coronation in Britain. Our Queen's royal bearing reminds of his own royal heroine in *The Eagle Has Two Heads*. Life and art are continually being inter-related in this whimsical fashion as he tries to live on both planes at once. His dissatisfaction with the post-war French literary world, dramatised in his film *Orphée* continues. Claudel, Anouilh, Giraudoux, each one gets a smack between the chops: "The silliness of *Christopher Columbus*. The vulgarity of *The Lark*. Giraudoux's embroidery." Time has tended to confirm these judgments. They are mild in comparison with some of those on other contemporaries - Juvet is a bad actor, Jacques Tati has no presence, Henri Bernstein was "a very nasty man" and so on. It is Cocteau's belief that a Journal, which he thinks ought only to be published posthumously, must be utterly candid in this way. "Absurd fashion of publishing one's journal in one's lifetime, a fashion launched by Gide. But the Gidean method consists in pretending to tell all in order to conceal all." Cocteau has put in everything without reservations. The result is much that is ephemeral, much that is trivial, but also much that is deeply interesting.

Short stories

Relationships: the good, the bad and the ugly

IN HIS *Selected Stories*, Iain Crichton Smith writes about the moment when we meet our undiscovered selves in the world we thought a stranger. A young naive divinity student wrestles with a madman, the incarnation of all his own desires and violence. A gay actor becomes so involved in his role as a victim that he can no longer distinguish between his stage and his real life.

Often the division between interior and exterior realities is cultural: the close, intolerant, mysterious Scottish society of the Highlands and Islands cannot admit the values of the outside world. In "Home" a Scotsman who made a success of himself in Africa is scorned as "tourist" when he makes a nostalgic visit to the slum where he grew up. In "Ghosts" a young couple become estranged from each other after the woman rediscovers her Gaelic roots. These tales, written with a poet's economy and the narrative skill and empathy of a fireside raconteur, are as wise and compassionate as they are engaging.

The stories in Joy Williams' *Escapes* cut across the great emptiness of the American continent; pure, almost abrupt in style, cryptic in tone, they are often written in the present tense, for the past is tragic, the future unimaginable. Her narratives are not so much about escapes as they are about loss - of a baby, of a father, of the sanctity of one's home, one's body. In "Rot" the relationship between a young woman and much older man is as doomed as the rusty convertible which he insists on installing in their bedroom. The Blue Man is about a young boy and his grandmother whose lives are dominated by the memory of his father's execution. Williams's skill lies in what she does not tell us: the gaps in personal histories, the bizarre actions of her characters and the terrible events observed without judgement or explanation. It is up to us to fill in the missing lives, the lost memories.

SELECTED STORIES
by Iain Crichton Smith
Carcanet £12.95, 178 pages

ESCAPES AND OTHER STORIES
by Joy Williams
Collins Harvill £11.95, 168 pages

PIG AND OTHER STORIES
by Anthony Lambton
Constable £11.95, 166 pages

BEST SHORT STORIES 1990
edited by Giles Gordon and David Hughes
Heinemann £13.95, 341 pages

In *Pig and Other Stories*, Anthony Lambton does not leave much to the imagination; set in Nazi Germany and occupied Poland, these fictions are all, with the exception of "Pig," based on actual events. "Pig" is about a Bavarian farmer's son, a steady reliable soldier haunted by an incident in Treblinka, when, in a fit of rage, he killed a Jewish woman by battering her with her own baby. His wife comforts him: "You saved the baby and its mother pain. They would have been stripped naked and gassed. It takes over ten minutes for them to die." In "The Axe-man," a slow-witted army soldier from the Black Forest uses his extraordinary skill as a wood chopper to behead 70 Jews. They are no more than trees to him; he concentrates on making a clean, quick cut.

Lambton's dispassionate, terse style makes these atrocities, and the rationalisations, the indifference, the fear which allowed ordinary people, German and non-German, to accept or at least turn a blind eye to the extermination of the Jews, particularly disturbing. What is missing from the stories is any sense of the characters' individuality. They rarely escape the confines of the stereotype: the simple-minded

peasant, the brutal SS officer, the effete aristocrat.

It's difficult to categorise the fictions in *Best Short Stories 1990*. The editors have excluded American writing, and although there are a fair number of Irish and Commonwealth selections they have emphasised British stories. The majority of the authors are either well known - Nadine Gordimer, William Boyd, Jane Gardman, Alice Munro - or are in the process of making their names: Jenny Diski, Moy McCrory.

There are a few experiments, notably Russell Hoban's witty exploration of Borges's short story *The South*, but in general the editors have not taken too many risks with the traditional narrative. A curious sadness permeates the book, a pessimism broken by Elizabeth Jolley's Walden-like celebration of the unruly beauty of the Australian bush and by Gordon's sardonic tale of a counter-revolutionary. Some of the most affecting stories are by unknowns: Cecil Bonstein's delicate remembrance of a barber in a concentration camp, David Park's tragic tale of a devoted fruit and vegetable seller in Northern Ireland. This is the fifth year of the collection and, although a few of the selections are weak, the general idea of an annual culling of stories which might otherwise be buried in little literary magazines is certainly laudable.

Wendy Brandmark

Fiction



Muriel Spark: her sardonic observations remain a treat

Evil flourishes to comic effect

ARCH AND intelligent as ever, Muriel Spark continues to delight and exercise her readers with out ever over-impinging. Her lightness of touch hides a sophistication which resides not merely in the milieu she manipulates, grand though these may be, but also in the complexities of her continuing sparring-match with good, evil and the place of love.

At the core of her *Symposium* there is a dinner party at which the hosts, rich middle-aged American painter, Hurley Reed, and his Australian widow, life-companion and guests consider, in one way or another, the subject of love. So far, so Platonic. But the focus

SYMPOSIUM
by Muriel Spark
Constable £11.95, 192 pages

of attention here is the union between the newly-married couple, William and Margaret Murchie, he a rather dreary, rich young man with a self-made power-mother and she a pre-Raphaelite beauty of mysterious provenance (and witch-like reverberations?) whom he met in Marks and Spencer and who has no apparent character, except a tendency to unnerve her generalised and indiscriminate goodwill. A mystery: are these really

the bereaved halves of that original double in that other *Symposium*? A more likely guideline to Spark's ultimate concerns, which turn with her ironic mode, is one of the other leading elements in Plato's version, namely that the indifferent loves the good in response to the existence of evil. Evil turns out to flourish around Margaret Murchie in a headlong series of revelations, becoming dirtier, better and increasingly comic in the old Sparkian manner, as more and more bodies seem to bestrew her path. Not quite what Plato had in mind, no doubt, but a deliciously devious and ironic re-interpretation which ends up with the wrong people doing the right (or morally wrong) thing at the wrong time and thereby depriving Margaret of the opportunity for shouldering real guilt. "I'm tired," she says, "of being made to feel guilty for no reason." For Muriel Spark, of course, God doesn't work like that; evil is independent - and found in the unlikelyst places, which Spark's sparkle continues to illuminate. Her delineation of dirtiness is also utterly distinctive. Margaret's uncle is released from his mental home once a week to give advice to the family. Margaret takes refuge in a community of Marxist Anglican nuns who feature hilariously in a television documentary ("Married? Isn't that against your vows?") "Yes... But he worked on a farm. Ecology comes before vows". She may deal in rarefied settings, but for the sardonic observation of wayward trendiness, far wonderfully revealed in the family employed to attack the truly obscene, Muriel Spark remains unique.

Mary Hope

NON-FICTION

BOOK PUBLISHER

Invites Authors to send manuscripts for publication on subsidy terms. All categories considered including WAR MEMOIRS, autobiographies, and specialised work. New Authors are welcome.

MERLIN BOOKS LTD
Barnston, Devon EX38 2BA
Telephone (0271) 816490

MINERALS OF THE ENGLISH LAKE DISTRICT CALDECK FELS

by M.P. Cooper & C.J. Stanley

An authoritative guide to the geology and mining history of this famous metal mining district, fully illustrated with beautiful photographs of many fine mineral specimens.

ISBN 0 565 01102 2 £14.95
Natural History Museum Publications
Concise Road
London SW7 5BD

IMPORTANT ANNOUNCEMENT FOR BUSINESS BOOK READERS AND ADVERTISERS

The FT Review of Business Books

WILL APPEAR AS A SPECIAL TABLOID SUPPLEMENT WITHIN THE FINANCIAL TIMES ON

FRIDAY 28th September

This replaces the FT Review of Business Books previously scheduled for Friday 21st September.

ORDER YOUR COPY NOW!

FOR FULL DETAILS PLEASE TELEPHONE WAI-FUNG CHEUNG ON 071-407 5158

THE GOOD BOOK GUIDE
Books by post worldwide
FREE COPY OF GUIDE
The Good Book Guide Dept-FT1
91 Great Russell Street
London WC1B 3PL, UK. Tel: 071 223 0546

BOOKS
"We feel the new format of the FT's business books review offers the buyer, whether they be individuals or companies, a much more attractive and manageable source of information than before and offers the advertiser, a quality window in which to promote their products and services."

Duncan Copplestone
Marketing Manager
Parke Bookshop Limited May 1990

ARTS

TWO YEARS ago the first 20th Century British Art Fair was held at the Cumberland Hotel in London. To general stupefaction it was a great success. The accepted theory was that specialist picture fairs were a turn-off to regular clients, and while collectors might visit general antique fairs in search of furniture, or silver, or ceramics to furnish and decorate their homes fairs did not offer the leisure for the contemplation and consultation needed to buy pictures.

But the timing of the 20th Century Fair was superb. After years of neglect modern British pictures had just taken off, fuelled by Yuppies, and general prosperity. Certain schools, notably Newlyn and the Scottish Colourists, touched a chord with new buyers who wanted something pretty and accessible with a good investment potential. At the first Fair Jonathan Clark sold a still life by the Scottish Colourist Peacock for £200,000, more than twice the price he had paid for it earlier in the year. It seemed to sum up the market.

Last year's Fair was not quite so successful, reflecting the first signs of the downturn, which has now become a minor recession. But the 50 leading galleries and dealers taking space from next Wednesday until Sunday evening, with 2,000 pictures, prints and sculptures for sale, are hoping for the best.

Whatever the state of the market a Fair provides the opportunity to meet potential new clients and to buy from fellow dealers, and it only requires one good sale to pay for the costs. At the very least it is better than sitting in your gallery waiting for the non-existent art starved by the recession to wander in off the street. Indeed, what with rising rents and rates, the owner of one of Bond Street's most established galleries was speculating wistfully this week how nice it would be to close down his costly public window and concentrate on dealing from a small back room.

This week has been mildly encouraging for the trade. There were two middle market auctions, at Phillips and Christie's. Phillips was a predictable

Pictures cheap at the price

Antony Thorncroft talks to dealers going to the 20th Century British Art fair next week and finds them cautiously optimistic



'Reclining Nude' by Frank Dobson, exhibited by David Messum at the Cumberland Hotel next week

disaster, being 58 per cent unsold. But this was because hard pressed dealers, with their bank managers snapping at their heels for repayments on expensive loans, used it to off-load pictures which were obviously unsaleable privately; and, as it proved, publicly. Christie's sale on Thursday did better, being less than 22 per cent unsold, making it marginally more successful than the comparable auction in 1989. Indeed Christie's, anxious to stiffen the market, reported that the average price of each lot sold was £1,628, compared

to £1,911 a year ago.

It is naturally in the interest of dealers to talk up the market, but most are reasonably optimistic about the Fair and trade. Some say there was a sudden dip in business in the early summer and that while the speculative element that inflated prices is now licking its wounds, genuine collectors are seeking out good works. The problem is finding attractive pictures.

The best art of the early decades of the 20th century changed hands during the late 1980s boom, and is locked

away, and instead of uncovering the minor artists of the period the dealers moved on to later in the century - into the 30s, 40s and 50s. Michael Ayrton, Keith Vaughan, Patrick Heron, Paul Nash and Roger Hilton are the artists coming back into fashion, and they will feature strongly at the Fair. From the earlier period Frank Brangwyn is at last being re-valued and Matthew Smith and Wyndham Lewis will show a hefty price appreciation.

There will be fewer later Newlyn School pictures - by

Dorothea Sharp and Harold Harvey - on offer and only the very best of the Colourists can expect to sell. The Fair is trying to toughen up its image and will find little room for the rose clad cottage school of Helen Allingham and her followers, but since these have almost halved in value in the last two years they were unlikely to feature anyway.

Abbott & Holder, which with over 1,000 works of art in stock in the £100 to £1,000 price range, is the nearest the art world comes to a supermarket, reports that prices generally

have fallen in the last six months. This enables it to pick up stock for less and also to sell more cheaply, ensuring a brisk trade. Austin-Desmond also reports keen demand. There are still pots of money giving off good rates of interest which is then invested by collectors in art as an inflation hedge. It has just sold a William Scott for £50,000 and a Wyndham Lewis for £45,000, and will be offering Ayrton, Hilton and Lewis among others. Waterhouse and Dodd also features Ayrton along with Paul Nash and the long ignored post war artist Leonard Rosoman.

Jonathan Clark has Nash and Fry and Piper, and Bourne Fine Art a Peacock landscape (for £25,000) as well as a Brangwyn view of Venice (for £28,000). Sweet Waters is concentrating on the Camberwell school of the 1940s, with the neo-romantics Susan Einzig and Terry Stiles and the expressive realist Francis Boyd. Montpelier Studio is putting its faith in St Ives - in Barbara Hepworth, Roger Hilton and Rachel Nicholson. Peter Nahum has a Cecil Collins as well as paintings by Nash, Frost and Michael Rothemann.

The 1950s are well represented at Manya Igel, with John Bratby, Ken Howard and Ruskin Spear, and Anthony Hepworth is sticking with Mary Fedden, Ceri Richards and Peter Lanyon, among others. The Fair is trying to add to its critical reputation by infiltrating into the contemporary era and Julian Machin is showing John Bellany, Guy Rodden and Alexandra Lumley. David Messum, who set the British Impressionist bandwagon rolling around five years ago, is still offering the Scottish trio of Peacock, Cadell and Ferguson, but is moving in on Bloomsbury and is quick to defend itself every dollar in grants, it says, is matched by an average of £3 from private funds; with NEA support, the number of arts organisations has grown enormously since the 1980s; per capita expenditure on the arts by the US government (current 54 cents) is far less than levels in other countries; more money is earmarked for military bands alone than the entire arts budget.

Not only does its annual budget meet or surpass by a factor of three the NEA's own reauthorisation, which runs for five years, also expires at the end of the month. While the endowment has made a request of \$175m for 1991, some legislators are calling for its abolition. Illinois Republican representative Philip Crane, for example, introduced his Privatisation of Art Act in May. Arts funding, he argued in the New York Times, "is not a legitimate or needed function of government."

But most controversy has been focused less on whether taxpayers should subsidise the arts at all, than on the ways in which their money is being spent. The debate pits defenders of freedom of speech against traditionalists determined to use censorship to fight threats to their moral standards. In early 1989, the American Family Association (AFA) - which spearheaded demonstrations against the film *The Last Temptation of Christ* - unveiled a series of shibboleths, one religious and the other sexual. Andrew Serrano's photograph "Piss Christ" showed a plastic crucified Christ submerged in urine. A retrospective photographic exhibition by AIDS victim Robert Mapplethorpe contained several pictures of naked children, and others depicting homosexual acts. Both, alleged the Reverend Donald Wildmon, the AFA's executive director, were funded with NEA grants. He launched a campaign which culminated earlier this year in advertisements describing the two works under the title "Is this how you want your tax dollars spent?"

John Pitt

Obscene or not obscene?

THE AMERICAN artistic community has taken up arms to defend its threatened patron, the National Endowment for the Arts (NEA), from restrictions or even abolition. Its recently appointed chairman, John Frohnmeyer, has only a few weeks left before Congress decides its agency's future, at a time when the arts have been thrown into a censorship debate some have compared with the obscenity trial in Boston of D.H. Lawrence's *Lady Chatterley's Lover* in 1929, or even to a new form of McCarthyism.

Since 1965 the NEA has dispensed more than \$5,000 grants to musicians, dancers, painters, writers and other groups and individual artists. Its allocation has grown from \$2.5m in Fiscal Year 1966 to \$171m today. With its crisis mounting, the endowment is quick to defend itself every dollar in grants, it says, is matched by an average of \$3 from private funds; with NEA support, the number of arts organisations has grown enormously since the 1980s; per capita expenditure on the arts by the US government (current 54 cents) is far less than levels in other countries; more money is earmarked for military bands alone than the entire arts budget.

Not only does its annual budget meet or surpass by a factor of three the NEA's own reauthorisation, which runs for five years, also expires at the end of the month. While the endowment has made a request of \$175m for 1991, some legislators are calling for its abolition. Illinois Republican representative Philip Crane, for example, introduced his Privatisation of Art Act in May. Arts funding, he argued in the New York Times, "is not a legitimate or needed function of government."

But most controversy has been focused less on whether taxpayers should subsidise the arts at all, than on the ways in which their money is being spent. The debate pits defenders of freedom of speech against traditionalists determined to use censorship to fight threats to their moral standards.

In early 1989, the American Family Association (AFA) - which spearheaded demonstrations against the film *The Last Temptation of Christ* - unveiled a series of shibboleths, one religious and the other sexual. Andrew Serrano's photograph "Piss Christ" showed a plastic crucified Christ submerged in urine. A retrospective photographic exhibition by AIDS victim Robert Mapplethorpe contained several pictures of naked children, and others depicting homosexual acts. Both, alleged the Reverend Donald Wildmon, the AFA's executive director, were funded with NEA grants. He launched a campaign which culminated earlier this year in advertisements describing the two works under the title "Is this how you want your tax dollars spent?"

Senator Jesse Helms, a staunchly conservative republican from North Carolina, had already responded. He supported a successful move last autumn to dock the value of the two controversial grants from the NEA budget appropriation for this year. He also sponsored Public Law 101-121, which states that no endowment grant can support art that "may be considered obscene, including... depictions of sadomasochism, homo-eroticism, the sexual exploitation of children, or individuals engaged in sex acts... which do not have serious literary, artistic, political or scientific value."

As a result, all grant award letters from the NEA since September have carried this condition, which recipients must agree to in order to receive their money. That has caused some artists to cross out the text before signing. Others, including Mr Joseph Papp, head of the New York Shakespeare festival, have turned their backs on NEA awards in his case, a cheque for \$50,000. "How am I to decide what others consider obscene?" he wrote in his refusal letter.

So when President Bush appointed John Frohnmeyer as head of the NEA last October, the new chairman found his agency alienated from both its political backers and its clientele. He also inherited the job at a time when moral standards have become a national issue.

Mr Dennis Barde, curator of the Contemporary Art Centre in Cincinnati, is about to be tried on charges of obscenity for hosting the Mapplethorpe exhibition, which has now opened in Boston. "We don't have communists to hate any more," says Anne Murphy, director of the American Arts Alliance. She thinks that the current moral outrage comes from "a growing fear that America is no longer invincible."

Frohnmeyer himself is walking a dangerous and somewhat ambiguous line. He tells artists that he is disappointed by their lack of lobbying on behalf of the NEA. But he also tells Mr Bush - is against censorship. Yet he has also stated that art and obscenity are opposites, and a few weeks ago vetoed four grants approved by the NEA's award panels for "performance artists" whose work is known to challenge sexual taboos. His arguments to the American Family Association has not been to defend Serrano and Mapplethorpe, but to explain why he was grants made before his appointment and through intermediary agencies.

The consensus in Washington now seems to be that NEA funding will be approved, but that the days of an endowment without restrictions are over.

THE PUBLISHING industry in Britain has gone through so many upheavals in the past few years with takeovers and amalgamations as well as the creation of smaller, independent houses, that attention has perhaps been diverted away from the books themselves.

Not that there has been any let up in the stream of new titles. Last year alone some 61,000 hit the bookshelves, 4,000 more than in the preceding year. With such a range to choose from it is relevant to ask whether the books, as a product, are as well designed and made as they could be.

As long as the text is legible few people will concern themselves with the look, or - that most intangible and personal of tastes - the feel of the book: whether it has the appearance of having been guided by a creative and sympathetic hand and eye; whether the look, combination of a distinct type face on good quality paper with margins wide enough to place one's fingers without

Books not judged on words alone

observing the text, marries with the content of the book without dominating it.

All of which is the domain of the book designer and the reason why the Publishers Association and the British Printing Industries Federation co-sponsor an exhibition each year to highlight the best books in Britain. "The majority of books fall well below the standards of those that are submitted," he says. The reason for this is simply that many publishers fail to submit entries, and those that do tend to be ones who, in any case, care enough about design to be

making books that will win awards. Considering the general state of design, Mr Keeble is even more trenchant. "Typography has taken a nose dive in recent years with the advent of photocomposing. One finds very poor legibility and design. Too many typographers look upon typography as the clothes of the page whereas it is the skeleton of the page. They forget that the book is a tool and has to be used by the reader. But the typographer sees it as a screen on which to display things. The visual influence of television has influenced

graphic design and too much graphic design has been brought over into the book world."

He pins poor design down to the lack of education and training for those entering or in the industry. "There are very few places where you can study book design and those in the industry are not interested in the book world rather than the print world as in the past."

If Mr Keeble is unhappy about design an opposing view comes from Jamie Wilson, group production director for Hodder and Stoughton, another of this year's judges.

He thinks that book design is in good shape, although financial constraints have played a far larger part than they would have in earlier times. Both consider that there is much still to be learnt from new technology.

Much remains to be improved in book design, from general layout to matching typography with content. As Mr Keeble stresses, "there is an awful blandness about some book publishing." But publishers have to balance production against very tight financial constraints. "One is always juggling the pursuit of excellence against economic considerations," he says.

John Pitt

Radio Clever deceptions

ANNIVERSARIES, as I see it, do not mark achievement, only the passage of time; but at least they help the programme-planners. Dame Agatha Christie's birth on September 16, 1890 led this week to a play and a biographical feature on BBC television, a play on ITV, two plays on Radio 4 and a celebration on Radio 2. Radio 4 drama, all I need deal with here, gave us *Murder on the Links* on Saturday and *The Murder of Roger Ackroyd* on Monday, both adapted by Michael Bakewell and directed by Emyr Williams, and featuring John Moffat as Poirot.

Ackroyd was the better of the two, not only because it has the better story, with its surprise solution that I must not hint at, but because it had an upper-middle-class English setting more convincing than the continental scene that failed to elbow its way through the English dialogue. (We even had a Cockney French porter.) Both plays are full of clever Christieque deceptions, but *Links* breaks one of the rules that detective-writers are expected to observe. Poirot took something from a suspect's desk (all are suspects in Christie) but she *never* told what it was. And it was a vital clue.

The middle-class Englishmen needed to act as Poirot's straight men were Jeremy Clyde's Hastings on Saturday and John Woodvine's Dr Sheppard on Monday. I happened to know who both the murderers were, but I was as much misled as necessary in both plays. As *Mousetrap* addicts can tell you, the solution matters less than

the trickery. Now watch out for Dorothy L. Sayers in 1993.

Far more interesting than Dame Agatha's, but their exploits were, metaphorically as well as literally, from another world. Steve Hodson gave Jeff a better Brummie accent than Christian Rodska's Byron, and Laurence O'Riordan a hard Celia and a soft Grace, all excellent under Nigel Bryant's direction.

For truthful characters, turn to *The Teachers* (Radio 4, Tuesday, repeated Wednesday). For this landscape of life in a Birmingham comprehensive school, everything is recorded live and is not invaded by real, whether in the

playground, the teachers' common-room or at the end of parents' telephones. The series ends next week, when you may have heard about a dog in the playground, a possible teachers' strike, a boy's complaint that he was "poked" by a teacher, boys with stink-bombs, boys with whisky, a boy stealing his mum's money (where are the plots), a teacher applying for a job.

Two producers, Sarah Rowlands and Brian King, present this educational salad with no outside commentary. The adults in the school, if not the children, may well recognise it as their daily life for anything from Rotwellers to whisky must be coped with by the staff. I do not know if the producers meant it so, but only seldom did I hear anyone, of either generation, at all happy.

B.A. Young

Royal Philharmonic Orchestra
Music Director Vladimir Ashkenazy
Concerts now booking at the
Royal Festival Hall

WEDNESDAY 26 SEPTEMBER 7.30 pm
VERDI Requiem
Conductor **MARK ELDER**

Soloists
WILLARD WHITE
ELIZABETH CONNELL
LINDA FINNIE
EDMUND BAREHAM
(Sponsored by Financial Times)

FRIDAY 28 SEPTEMBER 7.30 pm
Soloist NIGEL KENNEDY
Conductor **SIR CHARLES GROVES**

WAGNER Overture, Die Meistersinger
WALTON Violin Concerto
BRAHMS Symphony No. 4
(Part of RBC International Series)

TUESDAY 2 OCTOBER 7.30 pm
Soloist DMITRY SITKOVETSKY
Conductor **SIR YEHUDI MENUHIN**

ELGAR Violin Concerto
BERLIOZ Symphonie Fantastique
(Sponsored by Hilbert Parker)

WEDNESDAY 10 OCTOBER 7.30 pm
Conductor **SIR YEHUDI MENUHIN**

Soloists
JULIAN LLOYD WEBBER
ANN MACKAY
JUSTIN LAVENDER
NICHOLAS THOMPSON
TALLIS CHAMBER CHOIR

GERSEWIN An American in Paris
ELGAR Cello Concerto
LLOYD WEBBER Requiem
(Sponsored by A.B.S. Bank)

THURSDAY 18 OCTOBER 7.30 pm
Soloist **RIVKA GOLANI**
Conductor **VERNON HANDLEY**

TIPPETT Ritual Dances
ELGAR/Terz Cello Concerto arr. for viola
VAUGHAN WILLIAMS Symphony No. 5
(Sponsored by Kodak Ltd)

Tickets £5 - £25
Telephone booking 071-928 8800

**WALL STREET'S
FAVOURITE PLAY
ARRIVES 10 OCTOBER**

**OTHER
PEOPLE'S MONEY**
...the ultimate seduction

LYRIC THEATRE
071 437 3686 BOOK TODAY! 071 379 4444

Spink
Buy
Silver & Jewellery

57 King Street, St James's
London SW1 1JF. Tel: 071-499 7888
Established 1827

ART GALLERIES

ALLANS GALLERY
- Hand Embroidered Silk Pictures. Cat
shows you just try to call and see
"The Artist's Choice" - a limited edition
collection of Pollock Cat. definitely
collectible piece. Lowest Ground Place.
Alison Parnett Silk Shop, 54/55 Duke
Street, Grosvenor Square, London.
W1M 0SL. Mon-Fri 10.45 to 5.15 P.M.
Tel: 071-629 3781.

JULIAN TRIVETT, settings available from
Sept. 1990. *Julian Trivett*, 10 Princes Street,
Newbury, Oxon. Tel: 0491 870 255.

MAISON MARTIN MARGIELA Street, London
W1. FRANK ALPHEGGE Report Work, 21st
September - 20th October 1990. Mon-Fri
10-5.30 Sat 10-12.30. Tel: 071-629 5181.

**THE 20th CENTURY
BRITISH ART FAIR**

The only fair for
BRITISH ART from
1900 to the present day

ALLANS GALLERY
- Hand Embroidered Silk Pictures. Cat
shows you just try to call and see
"The Artist's Choice" - a limited edition
collection of Pollock Cat. definitely
collectible piece. Lowest Ground Place.
Alison Parnett Silk Shop, 54/55 Duke
Street, Grosvenor Square, London.
W1M 0SL. Mon-Fri 10.45 to 5.15 P.M.
Tel: 071-629 3781.

JULIAN TRIVETT, settings available from
Sept. 1990. *Julian Trivett*, 10 Princes Street,
Newbury, Oxon. Tel: 0491 870 255.

MAISON MARTIN MARGIELA Street, London
W1. FRANK ALPHEGGE Report Work, 21st
September - 20th October 1990. Mon-Fri
10-5.30 Sat 10-12.30. Tel: 071-629 5181.

MAISON MARTIN MARGIELA Street, London
W1. FRANK ALPHEGGE Report Work, 21st
September - 20th October 1990. Mon-Fri
10-5.30 Sat 10-12.30. Tel: 071-629 5181.

The Official London Theatre Guide
Supplied by the Society of West End Theatre

| | | | |
|--|--|--|--|
| ALHAMBRA , Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm ALHAMBRA, Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm | ALHAMBRA , Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm ALHAMBRA, Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm | ALHAMBRA , Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm ALHAMBRA, Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm | ALHAMBRA , Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm ALHAMBRA, Strand, Tel: 071-494 7021 Me and My Girl TUESDAY, 26 SEPTEMBER 7.30 pm |
|--|--|--|--|

Theatreline
Call the 0800 Theatreline numbers in
this guide for more information and
daily seat availability. Calls cost 33p of-
peak or 44p at all other times from a
landline. The 0800 Theatreline is
produced by S.W.E.T. in association
with E.T. Cityline.

For daily seat availability only call 0800
430969 Plays 430963 Theatres
430960 Musicals 430963 Children's Shows
430961 Comedies 430964 Opera/Ballet/Dance

SPORT

Tennis/John Barrett

For old enemies the game's afoot

IT IS an ancient rivalry. Ever since the Dauphin sent Henry V a box of tennis balls to remind him of his frivolous youth, the British have been trying to make the French pay for the insult. Nearly 600 years and several wars later, battle was resumed yesterday at Queen's Club, as the nations began their Davis Cup promotion tie that will decide which of them will return to the World Group next year.

Of the 16 ties that have been played between the two countries since 1912 Britain have won 11, including the last two — on grass at Eastbourne in 1976 and on the slow clay in Paris in 1978. That year the British team went through to the final for the first time since 1937 when a four year winning run had been ended by the Americans at Wimbledon. Not even the wisest optimist, the most helliose characterist would dare suggest that anything as glorious will occur this year. The sad truth is, Britain has become a second class tennis nation.

The man charged with the job of restoring some pride and belief among the British men is Warren Jacques. When he was appointed almost three years ago, like a likeable Australian, whose motivational skills helped Kevin Curren and Steve Denton to fulfil their singles potential and to become one of the best doubles pairs in the world, realised that he faced a gigantic task.

"It's a question of attitude, getting them to believe in themselves," he says. "For highly motivated fellows, like Kevin and Steve, that was no problem. But the rest was almost too late for the present guys here. I really have to work on the next generation, the younger players who will be challenging for places in national teams — and at the moment there are too few doing that because about 80 per cent of each year's crop of national juniors drop out. That's far too many. They are the forgotten men of British tennis."

The priority for Jacques is finding someone for these players to train and practice without it costing them a fortune. At the moment he is having to beg, borrow or steal court time at existing member clubs. After nearly three years in the job he finds it very frustrating that there is still no national centre.

"Even the Swiss have three national centres and in Israel there are ten. Kids there can play for nothing — as they can in Holland where there are so many indoor centres. Consequently there are hundreds of good youngsters tearing each other's eyes out to get selected for teams."

Certainly competition is a prerequisite to raising standards. So is opportunity. Until we explore the vast untapped market of inner-city kids we shall never realise the full national potential. As Ron Pickering reminded me the other day, most of Britain's best young athletes come from these areas. "They are the really hungry ones," he said. "Give me a hungry, talented athlete and I will offer him the chance to turn himself into a champion."

Jacques has the same vision. "I want to send scouts into all the toughest areas to find kids with good hand-eye co-ordination. But until I have the courts for them to play on I'm tied."

Most international outdoor tournaments are played either on clay or hard (cement) courts. When Jacques arrived there were no clay courts and only a handful of hard courts in use. A start has been made with new clay courts at all the toughest areas, Queen's Club and Bisham Abbey. Alan Montague has installed some at his Windmill Hill centre near Hertsmere.

Hard courts have also just gone in at Queen's, and one or two other clubs have laid this surface. But until there are regional centres with the proper facilities

throughout the country no national plan will be properly effective. That is why the new centre at Nottingham University, where next year's Federation Cup competition will be staged, is such an important development. There are 19 outdoor and eight indoor hard courts which will become a focus for player development in the Midlands area. But why no clay? If clay courts were added, this could become a blueprint for other regional centres.

One cannot over-emphasise the importance of clay (or its American cousin, hard), which is green and slightly faster) as a development surface. The French, who all grew up on clay, can successfully make the transfer to faster surfaces because their stroke technique is sound. Watching Henri Leconte and Yannick Noah at doubles practice the other day against Jean-Philippe Fleurian and young Fabrice Santoro was sheer joy. Under the watchful eye of captain Patrice Dominguez, the excellent team spirit was most apparent. It has been a feature of French tennis ever since the glory years in the 1920's when the four musketeers Borotra, Lacoste, Cochet and Brugnon ruled the world.

Noah knew that for the first time he would not be asked to play singles but it made no difference to his intensity. Leconte, full of left-handed magic, was conjuring some exceptional angles and laughing a lot.

"I've worked hard, lost a lot of weight and I'm enjoying my tennis again," he said. "I've climbed from 170 to 23 on the computer and I think now I can get back into the top ten."

Guy Forget, the new French No.1 who is ranked 13 in the world, lost his father last week but took his mother's advice and continued in the Bordeaux tournament, which he won after returning to Marseille for the funeral. The experience has left this sensitive and elegant left-hander a wiser man.

"He would have wanted me to continue and would have been very proud to see me leading France here in London. I do feel the responsibility. If I lose they lose, if I win they win. But Davis Cup is something special for all of us."

So it is for Jeremy Bates, the talented British No.1 ranked 101, who beat Forget indoors in 1988 but lost Leconte in Toulouse the same year. Nevertheless, at practice he seemed as concerned about having had to leave his new Porsche Carrera 911 at home as he was about beating the French.

"I've always dreamed of owning one and I've only had it a week," he said. "And I can't think why we're playing the match here, with all the distractions, instead of at Eastbourne where we've always done so well."

He has a point. For Nick Brown this tie is the culmination of a dream. At 29 this tall, former coach from Cheshire is playing his first Davis Cup singles — largely on the strength of a courageous win against Roland Stadler in a European Cup tie against Switzerland last year. His example should encourage the younger men to redouble their efforts to earn selection.

In spite of the daunting odds, these two Brits might yet work a miracle if they beat Henry V's reply to the Dauphin. With firm dignity he had said: "When we have matched our racquets to these balls, we will in France, by God's grace, play a set. Shall strike his father's crown into the hazard..."

Frankly, though, I expect to see our French friends gain revenge for Agincourt. Well, you can't win them all, can you?

On Friday's Davis Cup results: Henri Leconte (France) defeated Guy Forget (France) 6-3 7-6 6-2. Guy Forget (France) defeated Jeremy Bates (GB) 2-6 7-6 6-4 6-1. France 2 GB 0.

THE CELTIC agony of it all. It could have been started 15 years ago, under a plan put forward by Ray Williams, former Welsh Rugby Union coaching organiser, but today league rugby finally arrives in Wales, writes Irl James.

What will it mean? Congenial Welsh optimists hope for higher-level fitness and basic playing skills in a more sharply focused competitive structure. This is supposed to lead to a better Wales team. Nothing, it is argued, can be as bad as last season's whitewash in the Home Internationals. Something, anything, must be done.

Welsh pessimists fear a complete loss of the amateur ethic, that great players are born not made and that leagues will lead to boring, safety-first rugby.

The first indicators of how the game will be played could come this afternoon at Cardiff when the home side meet Swansea. The blue and blacks are

desperately keen to rekindle old glories while Swansea have high hopes of a side containing some of Wales' most promising players.

At least the noises from the principally more upbeat than for several seasons. The WRU have struck a television deal with ITV, thought to be worth around £20,000, that will lead to extended coverage of their Heineken League programme. Rugby watchers in Wales will have at least four different matches to view over the weekend on four different sports programmes.

The World Fly Fishing Championships in North Wales were dominated by Eastern Europeans writes Jeremy Lucas. Czechoslovakia were team champions, while went to Franciszek Szajlik of

IN BRIEF

Poland won the individual title. England dominated the first day on Llyn Brenig, but were unable to match the speed-fishing of the Eastern Europeans on the River Dee. The English lock-style masters, twice world champions in the last three years, opened a huge lead on the first day, but the river specialists from Poland and Czechoslovakia had only to draw good graying beats during the two days on the River Dee to be hugely effective with their high-performance nymphing techniques.

The top five teams were: Czechoslovakia, Poland, Belgium, France, England. The top Englishman was Chris Ogborne in ninth place.

The first American football season

of the decade is only two weeks old but already a pattern is beginning to emerge. The pattern of the '80s. The six teams which have won their first two games have between them dominated the last ten Superbowls.

The only Superbowl winner in that period without a perfect record was Washington who were trounced aside by San Francisco last Sunday. The 49ers, champions for the last two years entertain Atlanta tomorrow as they continue their quest for a "threepeat". Last year the Falcons were the worst team in the National Football League, but Jerry Glavinelli's new coach has brought in black uniforms and a tough, often turgid, style to match. Two of the unbeaten teams meet in New Jersey where the grindingly efficient New York Giants take on the Miami Dolphins who have found running backs and a defence to complement the flamboyant talents of their quarterback Dan Marino.

Soccer/Peter Berlin

We laughed, he cried

FOR THE footballer who cried, the last few months have been a disaster. When he walked off the pitch in Turin, eyes red-rimmed with tears after England's World Cup semi-final against West Germany, Paul Gascoigne the footballer became the media phenomenon, the nation's favourite cheeky chubby chappy. Since then every aspect of his life is minutely examined and endless demands are made on his time to return for fame and money.

After a summer of posing for the popes, appearing on Wogan and opening pizza parlours Gascoigne confessed that the start of the football season came as a relief — the football field, he said, is where he is happiest. The clumsy, semi-articulate young Georgie of the evening talks shows is transformed on a Saturday afternoon into a surefooted entertainer.

In a home match for his team, Tottenham Hotspur, against Derby County, early in the second half he treated the fans in the East stand to a piece of pure music hall. While the referee, Mr Durkin of Dorset, was admonishing a Derby player near the touchline, a few yards from the crowd, Gascoigne sangied a song behind him, turning to give the fans a thumbs up and a theatrical wink. He madly slapped the referee on the back and then slowly removed his hand to reveal a large, pink, used sticking plaster stuck between the referee's shoulder blades.

The fans roared — this is the sort of public bar humour they like and Gascoigne had done it for them. But what if the referee found out? Gascoigne would be in trouble. But he was one step ahead. As Durkin turned away Gascoigne tapped him on the shoulder and having attracted his attention, like a conjuror, his expression turned all-the-while to utter surprise, reached behind the referee's shoulders and plucked out the plaster. The crowd roared again and Gascoigne basked in the approval.

But his egomania also takes the form of a powerful desire to best opponents, both as individuals and as a team.

He is not yet in the footballing cliché, a midfield general. He does not have the gift of calm which the great midfield players possess. Nor does he display a strategic sense. When he suddenly stops dead in midfield and puts his foot on ball it is to irritate opponents — not because he is waiting for the right position to develop or because he wants to alter the tempo of play.

What the crowd enjoys most is the talent that combines the deft ball skills with the music hall thrills. Gascoigne's dribbling. It is in dribbling that Gascoigne most completely expresses his personality. The two characteristics which first won him celebrity are his two greatest assets in beating opponents: his build and his talent for clowning. He has worked hard to lose weight and shed his "fat boy" nickname but he will always be stocky and that is emphasised by his peculiar, chest-jutting, upright running style.

His touch is so sure that even with the ball at his feet he does not have to lean forward over it as most players do. He does not have exceptional speed but he accelerates quickly and can run as fast with the ball as without, his vertical stance and short, snappy stride allows him to change direction quickly.

His style is to tease defenders. He flicks the ball back and forth, shakes a shoulder this way, flicks a hip that way, waggles his foot and then: one false move, and he's gone.

Gascoigne's strength is crucial when the trick doesn't quite work or when the defender fails to play by the rules. When a defender gets an out-of-control ball to the ball, or backs at Gascoigne's legs, he can bull his way through. This is modern football. If you cannot stop a player by fair means, then foul. Gascoigne clearly doesn't like it, earlier this year he broke his arm lashing out at Lloyd McGrath of Coventry. Now he diverts that anger into a joke — when he wants to thump an aggressor he sticks out his huge tongue or tumbles their hair. He is a showman on a short fuse.

Gascoigne is a modern footballer too and has added the art of the pre-fall to his vaudevilian repertoire. In the last minute against Derby he ploughed through two tackles before getting into range and then went down like a sack of Newcastle coals to win the free kick which brought his hat-trick.

A player with skill to unravel defences with dribbling and the courage to take the kicks and keep coming back for more is rare. This is what makes him such an asset to his troubled football club. Tottenham could clear most of their debts, an estimated £12m, by selling their prize asset. They keep him, in part because they fear the wrath of fans, but chiefly because his presence sells tickets and offers the prospect of lucrative sponsorships.

Success in footballing terms means long cup runs, a place in one of the European



Paul Gascoigne: England's favourite cheeky chubby chappy

competitions, more matches for the fans to pay to see, more opportunities for the club to earn money from television appearances. Next season the Football League plans to increase the size of the First Division by two teams — two more lucrative home matches for each club, four more games for Gascoigne.

When the Football Association threatened to block the proposed change the League threatened to withdraw players such as Gascoigne from the England team.

Of course they won't, and if all goes well Gascoigne's stocky legs could play more than 60 matches next season.

At the age of 29 Diego Maradona, whose style is similar, has suffered from chronic leg injuries for five years. If Gascoigne can resist the temptations of his celebrity, then the greatest threat to his career is the greed of his masters which will force him to play more games than his body and his style can bear — and that would really be a crying shame.

TELEVISION & RADIO

SATURDAY

Indicates programme in black and white

BBC1

7.50 am Puddingtime. 7.55 am The Saturday Morning Show. 8.00 am News. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 pm The Saturday Morning Show. 12.15 pm The Saturday Morning Show. 12.30 pm The Saturday Morning Show. 12.45 pm The Saturday Morning Show. 1.00 pm The Saturday Morning Show. 1.15 pm The Saturday Morning Show. 1.30 pm The Saturday Morning Show. 1.45 pm The Saturday Morning Show. 2.00 pm The Saturday Morning Show. 2.15 pm The Saturday Morning Show. 2.30 pm The Saturday Morning Show. 2.45 pm The Saturday Morning Show. 3.00 pm The Saturday Morning Show. 3.15 pm The Saturday Morning Show. 3.30 pm The Saturday Morning Show. 3.45 pm The Saturday Morning Show. 4.00 pm The Saturday Morning Show. 4.15 pm The Saturday Morning Show. 4.30 pm The Saturday Morning Show. 4.45 pm The Saturday Morning Show. 5.00 pm The Saturday Morning Show. 5.15 pm The Saturday Morning Show. 5.30 pm The Saturday Morning Show. 5.45 pm The Saturday Morning Show. 6.00 pm The Saturday Morning Show. 6.15 pm The Saturday Morning Show. 6.30 pm The Saturday Morning Show. 6.45 pm The Saturday Morning Show. 7.00 pm The Saturday Morning Show. 7.15 pm The Saturday Morning Show. 7.30 pm The Saturday Morning Show. 7.45 pm The Saturday Morning Show. 8.00 pm The Saturday Morning Show. 8.15 pm The Saturday Morning Show. 8.30 pm The Saturday Morning Show. 8.45 pm The Saturday Morning Show. 9.00 pm The Saturday Morning Show. 9.15 pm The Saturday Morning Show. 9.30 pm The Saturday Morning Show. 9.45 pm The Saturday Morning Show. 10.00 pm The Saturday Morning Show. 10.15 pm The Saturday Morning Show. 10.30 pm The Saturday Morning Show. 10.45 pm The Saturday Morning Show. 11.00 pm The Saturday Morning Show. 11.15 pm The Saturday Morning Show. 11.30 pm The Saturday Morning Show. 11.45 pm The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7.00 am The Saturday Morning Show. 7.15 am The Saturday Morning Show. 7.30 am The Saturday Morning Show. 7.45 am The Saturday Morning Show. 8.00 am The Saturday Morning Show. 8.15 am The Saturday Morning Show. 8.30 am The Saturday Morning Show. 8.45 am The Saturday Morning Show. 9.00 am The Saturday Morning Show. 9.15 am The Saturday Morning Show. 9.30 am The Saturday Morning Show. 9.45 am The Saturday Morning Show. 10.00 am The Saturday Morning Show. 10.15 am The Saturday Morning Show. 10.30 am The Saturday Morning Show. 10.45 am The Saturday Morning Show. 11.00 am The Saturday Morning Show. 11.15 am The Saturday Morning Show. 11.30 am The Saturday Morning Show. 11.45 am The Saturday Morning Show. 12.00 am The Saturday Morning Show. 12.15 am The Saturday Morning Show. 12.30 am The Saturday Morning Show. 12.45 am The Saturday Morning Show. 1.00 am The Saturday Morning Show. 1.15 am The Saturday Morning Show. 1.30 am The Saturday Morning Show. 1.45 am The Saturday Morning Show. 2.00 am The Saturday Morning Show. 2.15 am The Saturday Morning Show. 2.30 am The Saturday Morning Show. 2.45 am The Saturday Morning Show. 3.00 am The Saturday Morning Show. 3.15 am The Saturday Morning Show. 3.30 am The Saturday Morning Show. 3.45 am The Saturday Morning Show. 4.00 am The Saturday Morning Show. 4.15 am The Saturday Morning Show. 4.30 am The Saturday Morning Show. 4.45 am The Saturday Morning Show. 5.00 am The Saturday Morning Show. 5.15 am The Saturday Morning Show. 5.30 am The Saturday Morning Show. 5.45 am The Saturday Morning Show. 6.00 am The Saturday Morning Show. 6.15 am The Saturday Morning Show. 6.30 am The Saturday Morning Show. 6.45 am The Saturday Morning Show. 7